FBIS DAILY REPORT

CONTENTS

Latin America

Vol VI No 043 *5 March 1985*

ARGENTINA

Alfonsin Receives Visiting Colombian President B 1
Joint Statement Released B 1
Betancur Leaves for Home B 2
Former Venezuelan President on Area Debt B 2
[BUENOS AIRES HERALD 4 Mar]
Refugee Aid Accord Signed With El Salvador B 3
[LA PRENSA GRAFICA 1 Mar]
Defense Ministry Names Pianta Joint Staff Chief B 3
Former Chief To Retire B 4
Further Army Reshuffling B 4
CGT Trade Union Rejects Government Wage Offer B 5
[BUENOS AIRES HERALD 2 Mar]

BOLIVIA

Dynamite Detonated During COB-Sponsored March C 1
Military, Police Deployed C 1
Marchers Detonate Dynamite C 1
Calls for Siles' Resignation C 2
Government Confirms Elections for 16 June C 3
Joint U.S.-Owned Mining Company Attacked C 3

BRAZIL

Tancredo Neves Receives Labor Salary Demands D 1
Pedro Simon 'Confirmed' as Agriculture Minister D 1
Federal Senate Elects New Executive Board D 1
Civil-Military Operation Targets Drug Traffickers D 2
Further Report D 2
Colombian Territory Involved D 3
Preventive Arrests [O GLOBO 2 Mar] D 3
Heavy Rains Threaten Angra I Nuclear Plant [FOLHA DE SAO PAULO 2 Mar] D 4
Iraq Indemnifies Brazilian Construction Company D 4
[FOLHA DE SAO PAULO 2 Mar]

CHILE

Another Strong Earthquake Shakes Santiago E 1
Latest Earthquake Death Count Rises to 124 E 1
Indefinite Strick Curfew Decreed in Santiago E 1

COLOMBIA

Betancur Returns From Sanguinetti Inauguration F 1
Situation 'Back to Normal' in El Bagre F 1
Caqueta Authorities Deny Guerrilla Attack F 1

ECUADOR

Teran Denies Anticommunist Pact With U.S. G 1
Request for OPEC Quota Increase Planned G 1

PERU

Salvadoran Foreign Minister Arrives in Lima J 1
Betancur Greets Ortega During Airport Stopover J 1
Guatemala's Gen Mejia Stops Over in Lima J 1

URUGUAY

Sanguinetti Reestablishes Freedom of Press K 1
State TV Channel Closed Down K 1
Mexico Interested in Improving Relations K 1
Angola Wants To Establish Diplomatic Relations [Luanda] K 2
Argentina's Alfonsin Sees No Falklands Solution K 2
Spain's Gonzalez Backs Argentina K 2
U.S. Congress Asked Not To Approve Area Aid K 3
Army Division Commander Bonelli Retires K 3
Former Congressman Turianski Released K 3
Labor Minister on Salaries, Dismissed Workers K 4
Briefs: Government Under Secretaries K 4

MEXICO

Peruvian Vice President Alba Orlandini Arrives M 1
Crossing Points Closed on Border With U.S. M 1
Budget Secretariat Presents Economic Report M 1

PANAMA

Ardito Addresses Legislative Assembly N 1
General Noriega on Return of Democracy N 10

CENTRAL AMERICA

BELIZE

South Korean Delegation Meets Esquivel, Others P 1
PUP Rejects Communism; Discusses Reorganization P 1
[THE BELIZE TIMES 24 Feb]

COSTA RICA

Monge on Urbina Issue, Possible Ortega Meeting P 1
Monge on Nicaraguan Opposition Meeting, Calero P 2
Government To Accept Nicaraguan Refugees P 2
[LA REPUBLICA 25 Feb]
Foreign Minister Denies Pressure From Mexico P 3

EL SALVADOR

Ochoa Denies Army Bombing; Discusses Elections P 4
[EL DIARIO DE HOY 2 Mar]
FMLN Reports Air Force Bombing of Guazapa Hill [Venceremos] P 4
FMLN Urges People To Return to Chalatenango [Farabundo Marti] P 5

NICARAGUA

Ortega on Shultz Meeting, Peace Initiatives P 6
Tinoco Delivers Invitation to U.S. Congress P 11
Tirado on Economic Measures, 'U.S. Aggression' P 11
Guatemalan Economy Minister Hernandez Arrives P 12
Montealegre Expelled From FSLN for Somozist Links P 13
Turned Over to Courts P 13
Obando y Bravo Said To Endorse Contra Document P 13
Pastora Heads New Resistance Bloc; Calls for Unity [AFP] P 13

CUBA

Castro Discusses Economy With Japanese Businessman Q 1
Bravo, Ortega Attend Uruguayan Inaugural Q 1
Hold Press Conference in Lima Q 1
Arrival in Montevideo Q 1
Bravo Meets Seregni Q 2
Bravo Comments on Treatment Q 2
Delivers Castro Message [EFE] Q 2
Late Report: Statement on Withdrawing Advisers Q 3

CARIBBEAN

GRENADA

Brizan on Returning Confiscated Farmland S 1
Opposition Leader To Head New GDLP Party S 1

JAMAICA

Army To Undertake Crackdown on Drug Trade S 1

TRINIDAD AND TOBAGO

Prime Minister Chambers Reshuffles Cabinet S 2

GUYANA

Burnham Inaugurates Renovated 12.8-Ton Foundry T 1
To Visit Yugoslavia in April T 1
Sugar Unions Tell Workers To Call Off Strike T 1

OTHER COUNTRIES

INTER-AMERICAN AFFAIRS

Contadora Ministers To Meet 21-22 March In Panama V 1
[Managua Radio Sandino Network]

VENEZUELA

Diplomatic Relations Resumed With Uruguay V 1
UK Deputy Foreign Minister Meets Lusinchi V 1

ALFONSIN RECEIVES VISITING COLOMBIAN PRESIDENT

PY030225 Buenos Aires TELAM in Spanish 2314 GMT 2 Mar 85

[Text] Buenos Aires, 2 Mar (TELAM) -- Today at 1940 President Betancur arrived at Aeroparque Airport from Montevideo and was welcomed by President Raul Alfonsin and his wife Maria Lorenza Barreneche and by Foreign Minister Dante Caputo. Betancur, who arrived accompanied by his wife Rosa Elena Alvarez, was welcomed with a 21-gun salute and received the honors accorded to one of his rank.

Joint Statement Released

PY041355 Buenos Aires DYN in Spanish 2137 GMT 3 Mar 85

[Text] Buenos Aires, 3 Mar (DYN) -- The Argentine and Colombian Governments today concurred in stressing the importance of a study undertaken by the OAS aimed at creating a control mechanism which takes into account presence of weapons, military personnel, and bases of countries foreign to the region. In addition, the Argentine and Colombian Governments reaffirmed their conviction that the solutions to the problem of the huge foreign debt of the Latin American countries involve more than merely the financial field since "the causes are both the responsibility of the governments and that of the international banking system and multilateral credit organizations."

This concurrence was expressed in a "joint statement" released this afternoon by the Argentine and Colombian Governments after the heads of state of the two countries, Raul Alfonsin and Belisario Betancur, respectively, held a meeting at the Olivos residence. The meeting took place after Alfonsin and Betancur attended the inauguration of Uruguayan President Julio Maria Sanguinetti this past weekend.

According to the joint statement, the Argentine and Colombian heads of state "concurred in stressing the importance of a study undertaken by the OAS on "creating a mechanism for the inspection of weapons and military personnel" that duly takes into account the presence of military bases of countries foreign to the region," in an obvious reference to the British presence in the Malvinas. "President Betancur reiterated his country's firm support for the just claim of Argentine sovereignty over the Malvinas, South Georgias, and South Sandwich Islands," and "also voiced his government's concern over the growing (British) military buildup in the islands," the statement added.

Alfonsin and Betancur also expressed their "deep concern over the effects of the international economic crisis on the developing countries, especially Latin America, whose chief burden is the foreign debt," the text of the joint statement adds. In the joint statement, the two heads of state said that the relative progress achieved in the payment terms for the debt's overdue payments and interests as well as the interest rates are encouraging facts in the process of seeking a basic solution to the region's foreign debt issue."

"However, they warned that thus far the price of the rescheduling of the debts has only been paid by the debtor countries, at the expense of great economic and social sacrifices by their peoples and great political risks which may only be overcome with in-depth solutions to this problem," the statement added. According to the statement, the two governments concurred in the fact that the situation "constitutes undeniable evidence of the asymmetrical functioning of international economic relations."

Nevertheless, they made it clear that "an in-depth solution to the problem of the regional foreign debt may only be achieved by forthright international economic cooperation promoted through a political discussion between the governments of the debtor and creditor countries."

"They reiterated their conviction that the foriegn debt problem involves causes which are both the responsibility of the governments and the international banking system and multilateral credit organizations, for which reason the solutions involve more than merely financial field," the joint statement notes.

Concerning economic exchange between the two nations, Alfonsin and Betancur voiced their willingness to take maximum advantage of their possibilities by "using, among other mechanisms, those provided for in the 1980 Montevideo treaty," and "expressed their willingness that the conclusion of a long-term agreement on bilateral grain trade be studied." Alfonsin and Betancur voiced their "satisfaction" over the agreement reached by the appropriate agricultural officials of the two governments under which purchase of Argentine grain by Colombia, for an initial tonnage of up to 60,000 tons, will be concluded next week.

According to the text of the joint statement signed by Alfonsin and Betnacur, the Argentine president "reiterated his government's firm support for the peace efforts being made by the Contadora Group," in keeping with "the statements made in that regard by most states, the United Nations, and the OAS." Alfonsin and Betancur also voiced their "deep concern over the situation that the sister Republic of Bolivia is going through, voicing their strongest support for the effectiveness of the republican institutions in that country," the statement emphasized. The Argentine and Colombian heads of state agreed to step up the tourist and cultural exchange bewteen the two nations and showed their willingness to further the cooperation between the two countries in the fields of television and radio, seeking to conclude agreements in these fields.

Betancur Leaves for Home

PY041621 Buenos Aires TELAM in Spanish 1607 GMT 4 Mar 85

[Text] Buenos Aires, 4 Mar (TELAM) -- At 1250 today Colombian President Belisario Betancur left for home at the end of a 40-hour visit to Argentina. President Raul Alfonsin, Foreign Minister Dante Caputo, Interior Minister Antonio Troccoli, Economy Minister Juan Sourrouille, Labor Minister Hugo Barrionuevo, and Health and Social Action Minister Aldo Neri were at the military sector of Jorge Newbery Airport to see President Betancur off.

FORMER VENEZUELAN PRESIDENT ON AREA DEBT

PY041651 Buenos Aires BUENOS AIRES HERALD in English 4 Mar 85 p 5

[Excerpt] (NA-DYN) -- Former Venezuelan President Luis Herrera Campins, who passed through town yesterday following the Friday inauguration of Uruguayan President Julio Sanguinetti, described the 400 billion (thousand million) dollar Latin American foreign debt as "unpayable," adding that the International Monetary Fund (IMF) was the Soviet Union's best ally in this continent. However, the government is confident that the rescheduling agreement with Italy can be signed during Italian President Sandro Pertini's state visit next week.

The IMF was saving Russia any need for subversive activities in Latin America, Herrera Campins continued in his attack against the supervisory organization. He suggested that Latin American countries specify a fixed percentage ceiling of foreign currency earnings for debt servicing.

Speaking at a press conference, Herrera Campins also proposed a summit between United States President Ronald Reagan and Cuban leader Fidel Castro to resolve the Central American conflict and described Latin American progress towards democratic governments since 1979 as "unstoppable." He further praised the willingness of the Governments of Colombia and El Salvador to negotiate with guerrillas, a "new departure in Latin American history," and reminded his audience that he was the Venezuelan president who supported Argentina during the Malvinas war.

REFUGEE AID ACCORD SIGNED WITH EL SALVADOR

PA021721 San Salvador LA PRENSA GRAFICA in Spanish 1 Mar 85 pp 2, 11

[Text] The foreign ministers of Argentina and El Salvador have agreed on aid programs for refugees. The two officials, taking into consideration that the refugee problem is one of the saddest human problems of the Central American region, signed an agreement calling for aid for the refugees in Buenos Aires. The document was signed by Foreign Minister Dr Dante Caputo and Salvadoran Foreign Minister Dr Jorge Eduardo Tenorio during the official visit that the director of El Salvador's diplomacy made to Argentina. The document points out the importance of the Contadora process in the search for regional coexistence in Central America. The two ministers agreed that it is necessary to make the Contadora effort viable through the political contributions and will of the countries involved. This is an essential factor for producing lasting and effective stability and peace in the region.

Regarding the problem of aid for refugees, the two ministers agreed to support aid programs developed by international organizations, especially by the UN Office of the High Commissioner for Refugees and the Intergovernmental Committee for Migration. The two ministers supported the principle of voluntary repatriation and urged the governments of the countries hosting refugees to assert their Americanist vocation and give refuge to foreigners as long as the causes that provoked the migration persist.

During his visit, especially during his work meetings with Foreign Minister Dante Caputo, Dr Tenorio discussed the problems affecting inter-American relations, reveiewed bilateral relations, and commitments were made to increase current cooperation levels. The minister explained the Salvadoran sitaution and the efforts the government is making to achieve peace in a democratic, pluralist, and participative framework. The two foreign ministers agreed that the democratic system is the only one that permits the exercise of essential human rights.

DEFENSE MINISTRY NAMES PIANTA JOINT STAFF CHIEF

PY041342 Buenos Aires DYN in Spanish 1323 GMT 4 Mar 85

[Text] Buenos Aires, 4 Mar (DYN) -- The Defense Ministry has officially confirmed that it has accepted the request submitted by General Julio Fernandez Torres, chief of the Joint Staff, to be transferred to the reserves. Gen Torres will be replaced by General Ricardo Pianta, the current Army chief of staff. Pianta will be replaced by General Hector Rios Erenu, commander of the III Corps, as Army chief of staff.

The Defense Ministry spokesman said that Fernandez Torres is being replaced simply because he has completed his term in his post and that no other connotation should be given to his replacement.

It has also been reported that there will be some changes at the commander level in the Navy and the Air Force, that is, not more than two changes in each force.

The date when Gen Pianta and Gen Rios Erenu will take up their new functions has not yet been disclosed.

Former Chief To Retire

PY041450 Buenos Aires TELAM in Spanish 1406 GMT 4 Mar 85

[Text] Buenos Aires, 4 Mar (TELAM) -- Joint Chief of Staff General Julio Alfredo Fernandez Torres today submitted his application for retirement, after having rejected an executive branch offer to be appointed presidential adviser in the military area with the rank of secretary of state. This offer was extended to Gen Fernandez Torres yesterday.

In a brief press communique bearing Gen Torres' signature released today, it is noted that the offer, which was not accepted, was made yesterday by Defense Minister Raul Borras. The communique also states that Gen Torres will not comment on the situation of the Armed Forces.

Further Army Reshuffling

PY050020 Buenos Aires TELAM in Spanish 1704 GMT 4 Mar 85

[Text] Buenos Aires, 4 Mar (TELAM) -- Major General Ricardo Pianta, Army chief of staff, today presided over a meeting of high-ranking commanding officers at the Libertador Building. During this meeting Pianta briefed the officers on the decisions of the executive branch concerning the retirement of high-ranking Army officers. This information was supplied by Army headquarters sources who also indicated that the meeting was attended by 26 generals and 8 colonels who have been proposed for promotion to the next higher rank, proposals which are currently being examined by the Senate.

It was also reported that Gen Pianta will replace Lieutenant General Julio Fernandez Torres as chief of the joint staff of the Armed Forces and that Brigadier General Hector Rios Erenu will replace Pianta as the new Army chief of staff.

Gen Rios Erenu's appointment implies the retirement of General Mario Aguado Benitez, Army training inspector; General Raul Schirmer, deputy Army chief of staff; and Brigadier General Vicente Belli, head of finance and logistics. The same would happen to General Hector Rodriguez Espada, military attache to the Argentine Embassy in the United States; Brigadier General Federico Minicucci, head of operations; and General Juan Carlos Benito, logistics commander. General Enrique Ottino, former secretary general of the Army, and General Guillermo Fonseca, former commander of the I Corps, retired at the end of last year.

The new Army leadership will be made up as follows: General Mario Jaime Sanchez, current commander of the V Corps; General Victor Pino, commander of the II Corps; General Julian Perez Dorrego, head of the General Technical Directorate; and General Angel Medone, commander of the IV Corps stationed in La Pampa.

Other memebers of the new leadership will be: General Jose Segundo Caridi, current chief of intelligence; General Jorge Gorleri, head of personnel; General Naldo Dasso, deputy inspector of training; General Angel Viescas, director of the Argentine Medium Tank program; General Ignacio Verdura, commander of the 2d Armored Cavalry Division stationed in Parana (Entre Rios Province); General Enrique Benifacino, commander of the 5th Infantry Brigade headquartered in Tucuman; General Jorge Malagamba, commander of the 3d Infantry Brigade stationed in Curuzu Cuatia, Corrientes Province; General Ernesto Alais, commander of the La Plata Infantry Brigade; General Enrique Olea, commander of the 8th Mountain Infantry Brigade in Mendoza; and General Juan Medrano Caro, head of operations of the Armed Forces Joint Chiefs of Staff.

CGT TRADE UNION REJECTS GOVERNMENT WAGE OFFER

PY032050 Buenos Aires BUENOS AIRES HERALD in English 2 Mar 85 p 1

[Text] (NA-DYN) -- The CGT trade union grouping yesterday rejected the government wage offer of 90 percent of February inflation plus a further six percent to help offset the difference between wage hikes and inflation since last October. CGT Secretary-General Saul Ubaldini commented that the offer did not even constitute a "palliative" in the light of the massive increases in transport fares announced on Thursday night, adding that the new pensions were a "disgrace."

Ubaldini was the only CGT secretary-general to attend the meeting with Labour Minister Hugo Barrionuevo, which began at 5:30 pm yesterday. Glass workers' leader Jorge Lujan, a leader of the Committee of 20 grouping, was also present. Before the meeting Ubaldini told reporters that he would also be placing heavy emphasis on the problem of unemployment.

The CGT is reportedly holding out for a full updating of wages with the inflation of the last five months while the government is allegedly only prepared to align wages with this year's inflation. The CGT also want equal family benefits for private and public-sector workers.

In other labour news, SEGBA [Greater Buenos Aires Electrical Services] senior staff started a work-to-rule while thousands of the 67,563 university teachers across the country carried out their Thursday threat to strike. The academic staffs are to stage 24-hour and 72-hour strikes later this month to back up demands for a basic salary of $a40,000 [peso], pensions equivalent to 82 percent of salary after 25 years' work and more educational spending. Assistant professors earned $a15,421 in January and university demonstrators $a12,658 for a 12-hour week, university unionists said.

On other fronts, the Labour Ministry suspended the congress of the FATRE [Argentine Federation of Rural Workers and Stevedores] rural workers' union, which was to have convened today in order to choose new authorities after branch-level elections on January 20, following charges of fraud by the Brown List. FATRE has some 100,000 members. MORON's [expansion unknown] 4,000 municipal workers are to go on strike all next week to press demands for a minimum wage of $a45,000, the rehiring of fired colleagues, and the return of their social welfare fund.

In provincial unrest, the Las Palmas factory in Chaco was occupied by its workers, who also blocked Route 11; rural workers in Tucuman demanded the payment of wage arrears; and Neuquen provincial government employees stopped work for four hours.

DYNAMITE DETONATED DURING COB-SPONSORED MARCH

Military, Police Deployed

PY041834 La Paz Cadena Panamericana in Spanish 1700 GMT 4 Mar 85

[Text] Defense Minister General Manuel Cardenas Mallo, retired, has guaranteed that the march organized by the Bolivian Labor Federation [COB] will take place this afternoon as scheduled. However, all strategic essential services will be occupied peacefully by national and military police units for safety reasons. Cardenas Mallo said that this occupation will only be [words indistinct] demonstration.

Panamericana interviewed Minister Cardenas after he met with President Siles Zuazo and Interior Minister Federico Alvarez Plata this morning.

[Begin recording] We were summoned by the president to (?discuss) the development of events and the manner in which the demonstration should take place today. [words indistinct] According to our reports, we are convinced that the demonstration will take place peacefully. However, we do not rule out the possibility of actions by some extremists, especially those from the so-called Unitary Revolutionary Board [Direccion Revolucionaria Unitaria -- DRU] who are issuing extremely dangerous instructions. [end recording]

Panamericana asked Minister Cardenas if he could officially guarantee, after meetings with the COB, that the "march for bread and freedom" will be able to take place nationwide. He replied:

[Begin recording] It is (?guaranteed) by the police and Armed Forces. The commanders have (?clearly) said that as long as there is no violence they will not react. [end recording]

However, to safeguard all national institutions and the people, the minister said that the peaceful occupation of all essential state services considered to be strategic has been ordered.

[Begin recording -- broadcast in progress] the occupation of what we call the strategic services, such as water, electricity, telephones, etc., that is, it will be a peaceful occupation in order to deter some individuals from trying to take advantage of this moment and disrupt public order. [end recording]

Marchers Detonate Dynamite

PY042100 La Paz Radio Panamericana in Spanish 2020 GMT 4 Mar 85

[Text] We have a report from Government House by Cristina Corrales:

[Begin report] Calm has returned to Government House after the explosion of several dynamite sticks at Murillo Square near the main door of Government House. I have toured Government House and ascertained that only the windows on the ground floor were damaged. The upper floor is intact and from what we are able to see from the top of Government House, the congressional building is not more damaged than Government House. It appears that the Government House is the more damaged of the two buildings as a result of these explosions perpetrated by Huanuni mineworkers in the course of this march for bread and freedom staged by the COB.

Minister Secretary of Government Freddy Penaloza Torricos and the chief of the military household are presently at Government House, as well as Government House administrative staff [words indistinct]. There are no military officers present and even the guards were too few to cope with the situation here at Government House.

We have been asking questions but no one seems to know whether the president or any of the ministers will come today. If so, probably not until after this COB march concludes.

Looking from the upper terrace of Government House I can see the march by Huanuni mineworkers who are continuing to explode dynamite sticks on their way to San Francisco Square. I wish to reiterate that tranquillity has returned to Government House and Murillo Square, where groups of spectators have again gathered to watch the march. We understand that it is possible that soon there will be a (?rally) in front of Government House, but nothing is definite because a security detachment just arrived at Government House to prevent the repetition of actions which occurred just a little while ago and resulted in broken windows, and reduce the tension to which Government House personnel was subjected. This is my report from Government House. [end report]

[Announcer] Excuse me Cristina, is the march still going on?

[Begin report] The march is still going on. Workers of various branches are marching through Murillo Square. The shouting and singing continue and marchers are carrying signs. However, I would like to reiterate once again that the situation has returned to normal, as far as the word normal can apply to a peaceful march which for a while seemed to have become violent; but now everything has calmed down. [end report]

[Announcer] Thank you Cristina. The COB march for bread and freddom has been going on for 1 hour and 25 minutes.

Calls for Siles' Resignation

PY050215 Madrid EFE in Spanish 0049 GMT 5 Mar 85

[Text] La Paz, 4 Feb (EFE) -- Amid exploding dynamite sticks and slogans protesting the nation's economic and political situation, tens of thousands of Bolivian workers today marched in this capital on orders from the Bolivian Labor Federation (COB). Approximately 9,000 mineworkers were brought in from faraway mining districts to strengthen the so-called march for bread and freedom.

The Huanuni miners, led by conservative labor unions, detonated low-powered dynamite devices in the course of the march. Several dynamite sticks were hurled at the front of Government House, shattering windowpanes. Throughout the mass march, workers chanted slogans against IMF measures, speculators, and the government's incompetence which has caused greater misery and hunger, as well as against creeping fascism and the elections. Despite the fact that Huanuni miners used dynamite sticks, no clashes occured between workers and Army personnel who were posted at strategic locations several hours before the march began to protect the population and ensure tranquillity. After marching along the main streets of La Paz, the workers, peasants, government employees, and housewives gathered at the historic San Francisco Square where the leaders made speeches.

Juan Lechin Oquendo, executive secretary of the powerful COB, outlined the national economic situation for the workers' benefit and said that the IMF, Yankee imperialism, and the current government were to blame for it, especially the government for allowing the country to become more and more dependent. The old labor leader said that the workers do not agree with the presidential elections slated for 16 June this year. He added that the government and the Congress have violated the Constitution by agreeing to call elections instead of serving their full 4-year terms of office.

We do not want elections because elections will not bring solutions for this country and because the elections will be used by Hugo Banzer Suarez who represents the fascist right wing, Lechin stated.

He confirmed the COB's intentions to demand form the government the implementation of the minimum wage with an escalation clause in order to overcome the misery and hunger of the families of workers and peasants.

We do not believe any more in dialogue or compromise, Lechin said, apparently in response to President Hernan Siles Zuazo's remarks in Uruguay favoring dialogue with the workers to overcome economic problems.

Lechin concluded by saying that in view of the government's incompetence and the lack of rule, President Siles Zuazo should resign.

Protest marches and rallies took place in the main Bolivian cities today, but the police refrained from getting involved.

Mineworkers leader Victor Lopez Arias announced that the mineworkers will soon hold a national congress to discuss the actions which they will undertake to protest the economic crisis. Political sectors believe that the mineworkers congress, which will take place at a La Paz covered stadium, will be decisive in forming the attitude which the Bolivian workers movement will adopt toward the nation's economic, social, and political crisis.

GOVERNMENT CONFIRMS ELECTIONS FOR 16 JUNE

PY042018 Madrid EFE in Spanish 1821 GMT 4 Mar 85

[Text] La Paz, 4 Mar (EFE) -- The Bolivian Government today confirmed that general elections will be held on 16 June, thus refuting rumors about its intentions to postpone them. Information Minister Mario Rueda Pena emphasized that President Hernan Siles Zuazo has indicated that he wishes the National Electoral Court to step up the organization of the elections so that they can be held as scheduled.

Opposition political parties have been circulating in the major cities the rumor that Siles Zuazo's administration was trying to postpone the general elections by not allocating the funds which the Natinal Electoral Court needs.

If everything goes as scheduled, the Bolivians will have an election in mid-June for the fourth time in the last 7 years, years marked by a succession of dictatorial military regimes and democratic administrations.

Opposition political sectors today stated that the government's decision to confirm the date of the elections was a reaction to alleged threats from the labor unions aimed at forcing the president to resign.

JOINT U.S.-OWNED MINING COMPANY ATTACKED

PY011430 Madrid EFE in Spanish 0007 GMT 1 Mar 85

[Text] La Paz, 28 Feb (EFE) -- The police reported today that the Bolivian-U.S. mining company Inti Raymi, located in the city of Oruro, 240 km south of La Paz, has been attacked by a group of 15 heavily armed persons. According to the report, the attack took place on the morning of 21 February. The attackers took the few employees and guards by surprise and easily overwhelmed them. The criminals stole a pickup truck and a jeep, as well as a large amount of ore.

The mining company operates very close to the Peruvian border with joint Bolivian and U.S. capital. It was founded 5 years ago and started production a year ago. The investment is one of the largest in Bolivian mining. The U.S. shareholders belong to a Houston, Texas company. The personnel of Inti Raymi numbering less than 50, have reported anonymous threats in the past few days.

TANCREDO NEVES RECEIVES LABOR SALARY DEMANDS

PY032001 Sao Paul Radio Bandeirantes Network in Portuguese 1000 GMT 2 Mar 85

[Report from Brasilia]

[Excerpt] A document with suggestions and demands on salary policies, the foreign debt, employment policies, inflation, and social security was today delivered to President-elect Tancredo Neves by the presidents of six national confederations of workers which represent about 30 million workers throughout the country.

Regarding salary policies, Jose Calixto Ramos, president of the National Confederation of Industrial Workers, told Radio Bandeirantes what the workers are expecting from the new government in salary readjustments next May. Ramos said:

[Begin recording] We know, just as well as the president does, that the recently established minimum salary rate is unrealistic. He knows, we know, and everyone realizes that it is certainly not enough for the survival of a 5-member family.

Therefore, we expect the minimum salary, which serves as the basis over which to calculate all the other salaries, to be corrected, even if it has to done progressively, until it reaches a realistic level. [end recording]

PEDRO SIMON 'CONFIRMED' AS AGRICULTURE MINISTER

PY021754 Sao Paulo Radio Bandeirantes Network in Portuguese 1000 GMT 2 Mar 85

[Text] The cabinet members of the Tancredo Neves administration will be officially announced on 9 March. However, Tancredo Neves himself revealed that he still has to name eight or nine ministers. This is why we are seeing some sectors of the Brazilian Democratic Movement Party [PMDB], scrambling to get nominated.

During a conversation with journalists, in Recife, Tancredo Neves indirectly confirmed the appointment of Senator Pedro Simon from Rio Grande do Sul as agriculture minister. He also dismissed the possibility of appointing former Senator Paul Brossard as justice minister.

FEDERAL SENATE ELECTS NEW EXECUTIVE BOARD

PY280003 Brasilia Domestic Service in Portuguese 2200 GMT 27 Feb 85

[Text] The new Executive Board of the Federal Senate was elected today: President Jose Fragelli, First Vice President Guilherme Palmeira, Second Vice President Passos Porto, First Secretary Eneas Farias, Second Secretary Loao Lobo, Third Secretary Marcondes Guedella, and Fourth Secretary (Ulisses Michelli).

The Chamber of Deputies will elect its new Executive Board tomorrow. Deputy Pimenta da Vega from Minas Gerais was elected leader of the PMDB bloc in the Chamber of Deputies.

The Executive Commission of the Social Democratic Party reelected by acclamation Senator Amaral Peixoto as president of the party.

CIVIL-MILITARY OPERATION TARGETS DRUG TRAFFICKERS

PY281628 Madrid EFE in Spanish 0250 GMT 28 Feb 85

[Text] Brasilia, 27 Feb (EFE) -- A commando operation conducted by joint civil and military police forces early this morning in Sao Paulo led to the arrest of Peruvian Wilfredo Gonzalez Ruiz, who is charged with being the main Brazilian connection for the Colombian Mafia . The Peruvian and 45 other suspects were arrested 24 hours after the U.S. Government virtually threatened Brazil with economic retaliation if it failed to step up the struggle against drug trafficking.

The operation involved helicopters, armored vehicles and a special unit of civil and military police. The officers who shot out the doorlock of Gonzalez Ruiz' residence found 3 kg of cocaine and other incriminating evidence. "I have never trafficked in cocaine, I do not know those people. I have been a businessman for 20 years," the Peruvian said. However, the Sao Paulo police spokesman stated that the accused admitted knowing the other persons who were arrested.

Residents of the Morumbi neighborhood woke up early this morning frightened by the huge military deployment, unprecedented in the struggle against drug trafficking in Sao Paulo.

Available data indicated that Brazil could become an alternate route for drug traffickers, especially in cocaine, in view of the anti-drug drive under way in Bolivia, Peru, Colombia, Ecuador, and Venezuela.

Further Report

PY011540 Madrid EFE in Spanish 2216 GMT 28 Feb 85

[By Pilar Gonzalez Moreno]

[Text] Rio de Janeiro, Brazil, 28 Feb (EFE) -- Armed with machine guns, 600 Brazilian Federal Police agents have broken up the Colombian cocaine Mafia ring through a gigantic operation simultaneously carried out in six Brazilian states.

Sixty drug traffickers, 41 of whom are Colombians, were arrested in the operation carried out yesterday. It involved several fleets of Brazilian Air Force helicopters, armored vehicles, and speed boats. Looking satisfied, Gustavo Magalhaes Pinot, the director of the Brazilian national division of drugs, noted that the Colombian Mafia has been annihilated.

According to Magalhaes Pinot, the raid operation against this organization, which is apparently financially based in Panama, was specifically carried out in the southern States of Rio de Janeiro, Sao Paulo, Mato Grosso do Sul, and in the northern States of Parana, Rondonia and Amazonia.

Hundreds of guns, 10 airplanes, 1 ship, 44 drums of ether, several kilos of different types of drugs, addresses and lists, and numerous amounts of jewelry were confiscated by the police in this operation, called "Eccentric," which relied on the advice of the U.S. Drug Enforcement Administration.

Those arrested were charged with carrying out illegal activities in Brazil since October 1983, when they fled their country in view of the strong repression the Colombian police had undertaken at the time.

Most of them are included in a blacklist that was submitted on 16 May to Brazilian Justice Minister Ibrahim Abi Ackel by Colombian Ambassador German Rodriguez Fonegra.

Peruvian citizen Wilfredo Gonzalez Ruiz, 45, who was arrested in Sao Paulo, has been reported as one of the most important leaders of the group, which hid the drugs inside wooden logs sold mainly in Europe and the United States.

Wilfredo Gonzalez Ruiz, who had connections with Pablo Escobar, one of the most important drug traffickers in Colombia, and who has businesses in Panama, was in charge of obtaining raw materials (ether and acetone) which were later used to manufacture cocaine.

Japanese citizen Manabu Shiyuba, the man responsible for the commerical operations of the group, was arrested in Manaos. He had in his possession an organization chart of the group, which had numerous cocaine factories and clandestine airports in Manaos, the capital of Amazonia State.

Also under arrest are Colombian chemists Carlos Velazquez and Halsey Rizato, who are famous for their knowledge of cocaine manufacturing.

This organization, which relied on a daily income of $1 million and which had established a complex system of plantations, production and sale of cocaine, owned numerous cattle ranches and business firms throughout Brazil.

The breakup of the group, planned by the police for over 10 months, has been praised by President Ronald Reagan, according to what was reported last night by Diego Asencio, the U.S. ambassador to Brazil.

A few days ago before the Brazilian police carried out this operation, the U.S. Government had threatened Brazilian authorities with economic retaliation in view of the lack of cooperation on the part of Brazilians in the struggle against drug trafficking.

Colombian Territory Involved

PY032120 Madrid EFE in Spanish 1932 GMT 2 Mar 85

[By Mario Passo]

[Excerpt] Rio de Janeiro, 2 Mar (EFE) -- The Brazilian Federal Police will for the first time launch an anti-drug operation in Colombian territory, with the authorization of the Bogota government.

The operation will begin with a search for cocaine factories in the Colombian region of Leticia, some 25 km from Tabatinga, in Brazil's Amazonas state. Most of the federal agents, who are implementing another operation called "Eccentric," are deployed on the Brazilian side of this region. "Eccentric" is a plan that was simultaneously set in motion in 7 Brazilian states 3 days ago to dismantle the so-called Colombian Mafia.

Preventive Arrests

PY041625 Rio de Janeiro O GLOBO in Portuguese 2 Mar 85 p 7

[Excerpts] Cuiaba, Matto Grosso -- For the first time Brazilian police will cross over the Colombian border with the permission of the Colombian Government to dismantle a cocaine refining laboratory in Leticia on the border with Tabatinga municipality in the Amazon.

Tabatinga, which is about 3,000 km from Brasilia and 1,5000 km from Manaus, is the main cocaine production center in Brazil. Practically all Tabatinga production is sold in the United States and Europe, which are the most important markets for the big drug traffickers of the Colombian Mafia. One of them is Mario Jose Soares, owner of the Casa Brilhante store who has several business partners such as Colombian brothers Camilo and Vicente Rivera. Contractor and politician La Place Vieira Martins is also active in the region, and he and Mario Jose Soares have been arrested.

Yesterday the police received reports saying that the Rivera brothers are in Bogota. They own many properties in Brazil, mainly large farms in Rondonia. According to Police Chief Magalhaes Pinto, as soon as the preventive arrest of 100 criminals is ordered, they will no longer be able to go about freely in Brazil, at least not under their real names as they used to.

HEAVY RAINS THREATEN ANGRA I NUCLEAR PLANT

PY041556 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Mar 85 p 17

[Excerpt] Heavy rains fell again yesterday over Angra dos Reis, on the southern coast of Rio de Janeiro State. This has interrupted the Rio de Janeiro-Santos highway, the BR-101, which has had 32 landslides so far. The most serious accident occurred at km 130 where 200 meters of highway were washed away, leaving the Angra I nuclear plant practically isolated. According to information circulating through Brazilian Electricity Enterprise internal channels, but not released to the outside, the plant stopped operations on 24 and 26 February, and it is now operating on half power, generating 400,000 kilowatts per day. There is speculation that the nuclear refrigerating pipes may have serious problems. The director of the nuclear division of Furnas Electric Company, Luis Cals, has said that the Angra I nuclear plant is operating normally, without any problems, generating electricity to meet the needs of the center-south electricity supply system. The electricity being generated varies from 75 to 95 percent of the Angra I plant's full power of 626 megawatts.

IRAQ INDEMNIFIES BRAZILIAN CONSTRUCTION COMPANY

PY042045 Sao Paulo FOLHA DE SAO PAULO in Portuguese 2 Mar 85 p 6

[Excerpt] The Mendes Junior Inc Construction Company has been indemnified for the cost overrun it encountered because of the war in Iraq where the company is involved in several projects. The indemnification was made in the form of promises from the Iraqi Government to award the Mendes Subsidiary Company three new contracts worth $3 billion, more than 12 trillion cruzeiros. This information is included in the company's 1984 annual report.

According to the 1984 annual report, "the financial part of the agreement has already been settled, and from the three projects awarded, the Mendes Subsidiary Company has secured the first one, that consists in the construction of bridges and drainage facilities. The second project is still under negotiations."

ANOTHER STRONG EARTHQUAKE SHAKES SANTIAGO

PY041544 Paris AFP in Spanish 1518 GMT 4 Mar 85

[Text] Santiago, 4 Mar (AFP) -- A strong and long earthquake shook Santiago today at 1202 (1502 GMT), 16 hours after the initial earthquake that caused over 100 deaths in central Chile last night. The new quake caused panic among the Santiago's inhabitants, especially high-rise building occupants. These buildings shook notably for nearly 30 seconds. No damage or victims have been reported.

LATEST EARTHQUAKE DEATH COUNT RISES TO 124

PY042345 Santiago Domestic Service in Spanish 2200 GMT 4 Mar 85

[Report from La Moneda Palace by Camilo Ortiz]

[Excerpt] Minister Secretary General of Government Francisco Javier Cuadra reported a few minutes ago here at La Moneda Palace that the death toll and the number of injured and missing persons could increase. He said that rescue groups are still working in areas that can be considered among the most afflicted zones, including San Antonio Province.

The minister secretary general of government stated that so far the death toll has risen to 124, with 1,903 injured and 7 missing.

In a report released here a few minutes ago, he said that the total number of affected families has risen to 30,679. Of this total, 76,653 are adults, while the number of children affected by the earthquake recorded last night in the capital and central zone has risen to 76,072.

INDEFINITE STRICT CURFEW DECREED IN SANTIAGO

PY041713 Paris AFP in Spanish 1637 GMT 4 Mar 85

[Text] Santiago, 4 Mar (AFP) -- The Chilean military government today ordered the people of Santiago to observe a strict curfew from 0000 to 0500 local time [0300 to 0800 GMT] until further notice, it has been officially reported.

The curfew will be instrumental in helping safeguard public order and property in the wake of the earthquake which yesterday claimed 124 lives and caused heavy material damage in the capital and throughout a vast area of the central region, the Chilean authorities said.

While the earthquake caused panic among the people and forced them to take to the streets, antisocial individuals took advantage of the situation to commit acts of robbery and vandalism, as evident by several reports lodged with the police.

Since late last year only a partial night curfew has been in force in Santiago which affects only the movement of motor vehicles.

BETANCUR RETURNS FROM SANGUINETTI INAUGURATION

PA050152 Bogota Cadena Radial Super in Spanish 0008 GMT 5 Mar 85

[Fabio Callejas report from Catam Military Airport -- recorded]

[Text] A few minutes ago President Belisario Betancur and his entourage arrived here at the Catam Military Airport after a visit to Uruguay and Argentina. Regarding the inauguration of Uruguayan President Julio Sanguinetti, the president said:

[Begin recording] For the Colombian people it is very honorable that Julio Sanguinetti should assume the Uruguayan presidency after 11 years of military dictatorship because he has close ties to Colombia since he is president of UNESCO's center for the promotion of books. Therefore, he has lived in Colombia on several occasions. I had the honor of inviting those guests who Sanguinetti had invited, including writers, journalists, and persons who make their living with books, to accompany us on our plane. [end recording]

Regarding his visit to Buenos Aires, Betancur told journalists here at the Catam airport:

[Begin recording] The trip went as scheduled. As you know, yesterday we signed economic cooperation agreements; international policy coordination agreements; movie, television, and cultural agreements; and reached very specific agreements on reciprocal trade with President Alfonsin. [end recording]

SITUATION 'BACK TO NORMAL' IN EL BAGRE

PA041420 Bogota Cadena Radial Super in Spanish 1730 GMT 3 Mar 85

[Text] Medellin -- The situation is back to normal in the area of El Bagre, the scene of violent incidents in which eight persons were killed, several unjured, and three aircraft burned. Antioquia Governor Alberto Vasquez Restrepo has pledged to enforce the agreements that were signed to end the civil uprising during which peasants seized control of the town. He indicated that studies will begin soon to resolve the many problems that El Bagre residents are experiencing due to the absence of a town aqueduct, sanitation deficiencies, poor energy services, and lack of public works facilities. The governor reported that an elite medical team has been selected to give medical treatment to the peasants, who are plagued by yellow fever, gastroenteritis, and malnutrition.

CAQUETA AUTHORITIES DENY GUERRILLA ATTACK

PA041525 Bogota Cadena Radial Super in Spanish 1730 GMT 3 Mar 85

[Text] Bogota -- The military high command and the governor of Caqueta Department have denied reports of an alleged guerrilla attack against the village of Valparaiso, south of Orencia. Military spokesmen indicated that the Florencia military command reported that there have been no guerrilla actions in the area and that the situation is completely normal throughout Caqueta Department. Meanwhile, Governor Maria Amparo Ossa Suarez stated in a communique issued several hours ago that reports of a guerrilla attack against Valparaiso are unfounded and that mayors, police, and village authorities throughout Caqueta have reported that all is calm in their respective areas.

TERAN DENIES ANTICOMMUNIST PACT WITH U.S.

PA021423 Paris AFP in Spanish 1906 GMT 1 Mar 85

[By Manuel Maldonado]

[Text] Guayaquil, Ecuador, 1 Mar (AFP) -- Ecuadoran Foreign Minister Edgar Teran has denied that the visit by U.S. Secretary of State George Shultz entails an anticommunist alliance between Ecuador and the United States. Shortly before leaving for Montevideo last night, Teran denied that Shultz's brief implies an anti-leftist ideological affinity.

Yesterday, Shultz talked for 3 hours behind closed doors with Ecuadoran President Leon Febres Cordero during a technical stopover in his trip from Washington to Montevideo, where he will attend the inauguration of Julio Maria Sanguinetti, the new Uruguayan president.

Teran gave the explanation after AFP asked him if interpretations were correct that alleged blocking of an oil shipment to Nicaragua by the United States and Shultz's visit were related to an anticommunist axis. During the past 2 days international news reports have indicated that the United States blocked a shipment of Ecuadoran oil to Nicaragua, where a widespread gasoline scarcity is causing serious domestic problems. Teran explained that the case involved that attitude of a foreign intermediary company, which hastily sold oil to Nicaragua without first purchasing it from Ecuador. "We sell our oil to the highest bidder without ideological limitations," Teran said.

President Febres Cordero himself denied yesterday the alleged U.S. boycott of the oil transaction. The Ecuadoran foreign minister completely disassociated Shultz's presence from an eventual Ecuadoran-U.S. alliance against Nicaragua. Teran admitted that Shultz's presence was used to formalize a high-level dialogue, but rejected the allegation that his presence in Ecuador was in any way related to a plan against Nicaragua or communism. "We do not lend ourselves to accommodations of this type," he said.

He admitted, however, the two governments' agreement on the questions of "freedom, genuine democracy, private initiative, and a clear-cut attitude against statism." Teran said that new winds are blowing in Latin America against the absolute predominance of the state in the lives of men. He admitted that "there are historical parallels between the United States and Ecuador in this regard. [quotation mark as received]

REQUEST FOR OPEC QUOTA INCREASE PLANNED

PA041948 Quito Voz de los Andes in Spanish 1130 GMT 4 Mar 85

[Text] Ecuador will request at next June's OPEC meeting an increase in its hydrocarbon production export quota to 275,000 barrels daily, according to an official announcement. This raw material exceeds 65 percent of the total Ecuadoran exports, and in order to provide greater funding for the nation's development projects, in view of the economic crisis affecting the country, the request is deemed necessary.

At the same time, Ecuador intends to export more oil to offset the drop in the official price of its crude, derived from an OPEC agreement that last January reduced the price from $29 to $28, and resulted in the drop of the Ecuadoran hydrocarbon from $27.50 to $26.50 per barrel. Being a minor producer within the context of the 16 million barrels extracted daily by OPEC, Ecuador has enjoyed some flexibility in limiting itself to the production quotas adopted by OPEC.

SALVADORAN FOREIGN MINISTER ARRIVES IN LIMA

PY041451 Paris AFP in Spanish 1421 GMT 4 Mar 85

[Excerpt] Lima, 4 Mar (AFP) -- Salvadoran Foreign Minister Jorge Eduardo Tenorio Escobar arrived here today on a 5-day official visit at the invitation of the Peruvian Government, it was learned here today.

BETANCUR GREETS ORTEGA DURING AIRPORT STOPOVER

PY042205 Paris AFP in Spanish 2125 GMT 4 Mar 85

[Text] Lima, 4 Mar (AFP) -- Nicaraguan President Daniel Ortega was met today by Peruvian President Fernando Belaunde Terry during a brief stopover that was made by the plane on which the former is traveling. Ortega is returning to his country after participating in the inaugural ceremonies of Uruguayan President Julio Maria Sanguinetti.

After a brief chat with Belaunde, Ortega stated to journalists, regarding his meeting with U.S. Secretary of State George Shultz in Montevideo, that he feels optimistic that it will be a beginning for more contacts between the two countries. Moreover, he reemphasized the Central American peace proposals that he had made in Managua, and which, he said, were not accepted by Washington.

Withdrawal of some Cuban military advisers that are in Nicaragua, freezing the arms acquisition in the region, and ending covert U.S. aid to the Nicaraguan contras are among the proposals he made.

GUATEMALA'S GEN MEJIA STOPS OVER IN LIMA

PY050158 Paris AFP in Spanish 2204 GMT 4 Mar 85

[Text] Lima, 4 Mar (AFP) -- Guatemalan Head of State General Oscar Mejia Victores today arrived in Lima for a visit that will last only a few hours. He was met at the local airport by Peruvian President Fernando Belaunde Terry.

Mejia Victores, who participated in the inaugural ceremonies of Uruguayan President Julio Maris Sanguinetti, arrived just after 1400 (1800 GMT) at the Jorge Chavez Airport coming from La Paz, where he made a stopover yesterday.

Mejia Victores is traveling in a Fokker plane of the Air Force of his country in the company of his wife and Foreign Minister Fernando Andrade.

Belaunde, who was accompanied by his wife, and Prime Minister and Foreign Minister Luis Perocivch, highlighted the histories of the Peruvian and Guatemalan peoples and the links they have maintained since before the Spanish colonial period. It is now our turn to exchange experiences in order to cause our peoples to progress, he added.

On his part, Mejia Victores stated that his country had faced the problem of subversion, but that he was confident that security had returned to Guatemala.

SANGUINETTI REESTABLISHES FREEDOM OF PRESS

PY042022 Madrid EFE in Spanish 1651 GMT 4 Mar 85

[Text] Montevideo, 4 Mar (EFE) -- Uruguyan President Julio Maria Sanguinetti, in the course of his first formal day of work today announced the reestablishment of complete freedom of the press. A decree released by the Government House stated that in the future all publications will enjoy freedom of expression, printing, and dissemination, irrespective of their leanings.

During the almost 12 years of dictatorship and especially its final 40 months under Lieutenant General Gregorio Alvarez, press restrictions were numerous. During this period more than 30 news media, including radio stations, publications, and television stations, were closed.

The Uruguayan Government also abrogated today a regulation which compels all international news agencies to supply a copy of all disseminated political news to the Interior Ministry.

State TV Channel Closed Down

PY050122 Paris AFP in Spanish 0026 GMT 5 Mar 85

[Text] Montevideo, 4 Mar (AFP) -- The Uruguayan Government tonight decided to close down the state television channel, because its employees had been carrying out a series of stoppages to support their demands, especially salary demands. The measure is only temporary and it will remain in force until the striking employees submit their demands to the new administration that was installed on 1 March.

MEXICO INTERESTED IN IMPROVING RELATIONS

FL041556 Mexico City NOTIMEX in Spanish 0222 GMT 4 Mar 85

[Text] Montevideo, 3 Mar (NOTIMEX) -- Mexico has told the Uruguayan Government of its interest in increasing economic, trade, and cultural relations now that the South American nation has a new government. The Mexican delegation that was here for the inauguration of President Julio Maria Sanguinetti told him of the Mexican Government and people's joy for the return to democracy. The Mexican delegation included Comptroller General Francisco Rojas, Chairman of the Grand Commission of the Chamber of Deputies Humberto Lugo Gil, and Under Secretary of Foreign Relations Ricardo Valero.

The delegation stated that Mexico appreciates the importance of expanding political relations in Latin America. It said Mexico and Uruguay can contribute to the building of a Latin American homeland. For the moment, specific exchange projects were not discussed, but Under Secretary Ricardo Valero remained in Montevideo to talk to Uruguay's new Foreign Minister Enrique Iglesias about balanced trade proposals. The framework for these agreements could be the statement signed here yesterday by eight heads of state and ministerial representatives of the remaining Latin American countries to strengthen ALADI.

Uruguay depends totally on foreign countries for its petroleum supply. The possibility of obtaining crude oil from Mexico and Venezuela is of immediate interest to the new government. Currently, Uruguay obtains oil from Arab countries.

ANGOLA WANTS TO ESTABLISH DIPLOMATIC RELATIONS

MB050630 Luanda Domestic Service in Portuguese 0500 GMT 5 Mar 85

[Text] Angola and Uruguay are to establish diplomatic relations as soon as possible. This follows talks between Lopo do Nascimento, Angolan minister of planning, and Uruguayan authorities. Lopo do Nascimento, who went to Montevideo to attend the swearing-in of Julio Maria Sanguinetti, the new Uruguayan head of state, held talks on diplomatic relations with Enrique Iglesias, the minister of foreign affairs in the new government. Minister Lopo do Nascimento also held talks with the main Uruguayan political parties and briefed them on the current situation in Southern Africa. He was due to fly from Montevideo to Buenos Aires to continue the talks started in November last year between Angolan and Argentine officials on bilateral cooperation. His return to Luanda is expected today.

ARGENTINA'S ALFONSIN SEES NO FALKLANDS SOLUTION

PY021442 Montevideo Radio El Espectador Network in Spanish 1400 GMT 2 Mar 85

[Interview granted by Argentine President Raul Alfonsin to Radio El Espectador in Montevideo on 2 March -- recorded]

[Excerpts] [Reporter] I thank you for your remarks, but there are [words indistinct] fundamental topics for the Argentines and, of course, we are also interested: the Malvinas topic and the economic situation in your country.

[Alfonsin] Regarding the Malvinas problem, the recent statements by Great Britain's prime minister demonstrate that intransigence and intolerance continue. This does not permit a peaceful solution to our problem to emerge on the horizon.

[Reporter] You have been very kind. Thank you.

Spain's Gonzalez Backs Argentina

PY021723 Buenos Aires TELAM in Spanish 1605 GMT 2 Mar 85

[Text] Montevideo, 2 Mar (TELAM) -- Felipe Gonzalez, prime minister of the Spanish Government, said today that his country supports the rights of the Argentine people to the Malvinas Islands, but he added that we criticize the methods used in the attempt to recover them definitively.

Gonzalez held a press conference today during his stay in this city to participate in the ceremonies of the transfer of presidential power to Julio Maria Sanguinetti.

He added that Spain has traditionally questioned the use of force, and it is enough to recall that General Franco's regime criticized the blockade of Cuba in 1962. He stressed: It can hardly be said that General Franco's regime was ideologically identified with Fidel Castro's.

When asked if the possibility of Spain's joining NATO would not imply an indirect commitment to support the U.S. and UK policies regarding Latin America, Gonzalez replied that he will not become committed at all. NATO has an area of application, namely Europe, and if a NATO country wishes to wage war outside that area to defend its interests, that is its problem.

U.S. CONGRESS ASKED NOT TO APPROVE AREA MEASURES

PY041430 Paris AFP in Spanish 1258 GMT 4 Mar 85

[Text] Montevideo, 4 Mar (AFP) -- Deputies from the main political forces of Uruguay the Colorado Party, Blanco Party, and the Broad Front, have called on U.S. congressmen not to approve measures that will exacerbate conflict in Central America.

In a similar statement delivered to Nicaraguan President Daniel Ortega, the Uruguayan legislators expressed concern over the political-military situation in that region, as well as their desire to contribute constructively to the democratic recovery of all Latin America, particularly to peace in the area.

In the past few hours, the Uruguayan congressmen met with Nicaraguan Foreign Minister Miguel D'Escoto and Nicaraguan President Miguel Ortega, who today will return to his country after attending the inauguration of Julio Maria Sanguinetti as Uruguay's new constitutional president.

ARMY DIVISION COMMANDER BONELLI RETIRES

PY041433 Madrid EFE in Spanish 2124 GMT 2 Mar 85

[Excerpt] Montevideo, 2 Mar (EFE) -- General Jorge Bonelli, the commander of the main Uruguayan Army division, has requested his transfer to the reserves. This is the first military problem the democratic government of President Julio Maria Sanguinetti, who was inaugurated on 1 March after 13 years of dictatorship, will have to face.

Bonelli, who expected the democratic government to ask him to resign, decided to resign due to conflict stemming from some appointments made by President Sanguinetti in the three forces, military sources have told EFE.

The resignation of Bonelli, who was considered one of the toughest hard-liners and the most trusted officer of former de facto President General Gregorio Alvarez confronts the new government with the task of replacing him.

FORMER CONGRESSMAN TURIANSKI RELEASED

PY021952 Paris AFP in Spanish 1319 GMT 2 Mar 85

[Text] Montevideo, 2 Mar (AFP) -- Former congressman and union leader Vladimir Turianski, sentenced to a 12-year prison term in 1973 when the outgoing Uruguayan de facto government took over power, was released yesterday, it was announced today.

Turianski was the only congressman in detention by order of a military court, and his release had been demanded in the middle of February at the installation of the legislature elected in November 1984. His release occurred at the same time as President Julio Maria Sanguinetti's inauguration.

LABOR MINISTER ON SALARIES, DISMISSED WORKERS

PY050120 Montevideo Radio El Espectador Network in Spanish 1600 GMT 4 Mar 85

[Excerpts] The Labor and Social Security Ministry will direct its efforts toward wage negotiations and the recovery of real salaries. This statement was made by Labor Minister Hugo Fernandez, a few minutes after he was installed. Fernandez stated that the mechanisms to aid these efforts through the participation of the Labor Minister, the Economy Ministry, the planning and budget office, presidential advisers, businessmen, industrialists, and the trade unions will be put into effect this week. Fernandez pledged a clean and honest administration. Fernandez stated that the problem of the dismissed and removed Labor Ministry employees will be solved as soon as possible.

[Begin recording] We are immediately tackling two important issues: First, wage negotiations both on private and public sector levels, for which we intend to implement this week the appropriate bargaining mechanisms. For the private sector we will implement a tripartite bargaining mechanism, including state participation in the wage negotiations and for the public sector, wage negotiations will include representatives of the Confederation of State Civil Service Organizations and representatives of the Coordinating Trade Union Board of Autonomous Agencies and Decentralized Services. In both cases the state will be represented by the Labor Ministry, the Economy and Finance Ministry, and the planning office.

The other important issue, which strictly concerns the operation of the ministry, is that we have created a team which we have worked with for several months in the negotiations carried out by the National Consensus Commission and that we want to join, as a team, to the ministry's team. We intend to dignify the job and the officials because we are convinced that the possibility of the democratic reinstitutionalization of the country depends, to some extent, on the responsibilities assigned to this ministry.

We thus believe that not only should our personnel meet the proper qualifications but that they should also be imbued with the ideal of pulling the country through this situation. We intend to fulfill our mission honestly, openly, and seriously.

We also have decided to analyze and solve, in the shortest possible time, the problem of dismissed and displaced employees [words indistinct] this ministry. We expect to solve each case within the next 10 days, taking into account the interests of each person involved. [end recording]

BRIEFS

GOVERNMENT UNDER SECRETARIES -- Mario Cesar Fernandez, a diplomat and journalist, was appointed foreign relations under secretary yesterday. Eugenio Baroffio was appointed interior under secretary, Robaina Anso as national defense under secretary, Federico Crispo Capurro as industry and energy under secretary, Andres Vazquez Romero as education and culture under secretary, and Manuel Villalba as public health under secretary. [Summary] [Montevideo EL DIA in Spanish 15 Feb 85 p 5 PY]

PERUVIAN VICE PRESIDENT ALBA ORLANDINI ARRIVES

FL042330 Mexico City NOTIMEX in Spanish 2155 GMT 4 Mar 85

[Excerpts] Mexico City, 4 Mar (NOTIMEX) -- Latin America's development is in danger of being curbed because of its large foreign debt, Peruvian Vice President Javier Alba Orlandini warned here today. Interviewed on arriving at Mexico City's airport, he said that this situation requires, if not a union of debtor countries, at least greater understanding on the part of the creditors about this phenomenon that places the region's nations at a crossroad.

Alba Orlandini said that evidently Latin America has a promising future but it is finding it difficult to overcome underdevelopment because the products it imports have arbitrary prices on the international market.

Answering a question on whether petroleum could be used as a weapon of pressure he said that presently there exists an over production of petroleum in the world so that weapon would not seem the most effective. Alba Orlandini said oil-producing nations should use this resource intelligently to achieve a more just treatment from the industrialized nations.

CROSSING POINTS CLOSED ON BORDER WITH U.S.

FL050214 Mexico City NOTIMEX in Spanish 1936 GMT 4 Mar 85

[Excerpt] Mexico City, 4 Mar (NOTIMEX) -- Closing nine border points between Mexico and the United States will not in any way decrease the number of tourists, mainly U.S. tourists, entering Mexico, the Secretariat of Tourism has said. It said that temporary closing of border points at Tecate, Sabe, Noria, Nogales, Presa de la Amistad, Presa Falcon, Los Ebanos, and El Berrendo [only eight towns as received] are access points that have a very low number of tourist crossings annually and that the combined total does not exceed the number of tourists passing through Tijuana or Ciudad Juarez.

BUDGET SECRETARIAT PRESENTS ECONOMIC REPORT

FL050020 Mexico City NOTIMEX in Spanish 1712 GMT 3 Mar 85

[Text] Mexico City, 3 Mar (NOTIMEX) -- The predominance of petroleum of Mexico's foreign trade, which reached worrisome levels between 1976 and 1982, tended to decrease over the past 2 years, the Mexican Secretariat for Programming and Budget has said here.

Exports of crude oil, which in 1982 represented 77 percent of total national sales, decreased to 62 percent in 1984 while manufactured products during the same period increased from 15 to 28.5 percent. The decrease in significance of petroleum exports is due to the dynamism observed in foreign sales of manufactured products over the past 2 years. Only in 1984 was it reported that exports from Mexico's transformation [as received] industry grew by 25.6 percent, while petroleum sales grew by only 1.2 percent.

In 1984, according to the final 1984 trade balance devised by the Secretariat of Programming and Budget, total exports reached $24.53 billion. This foreign sales figure, it added, may be broken down as follows: 62 percent in petroleum sales, 28.5 percent in manufactured products, 5.4 percent in agiruclltural and forestry products, and 4.1 percent in mineral products.

ARDITO BARLETTA ADDRESSES LEGISLATIVE ASSEMBLY

PA030200 Panama City Domestic Service in Spanish 2155 GMT 1 Mar 85

[Report presented by President Nicolas Ardito Barletta to the Legislative Assembly; in Panama City on 1 March -- live]

[Text] Mr Chairman, honorable Legislative Assembly; Madame Chief Justice of the Supreme Court; Vice Presidents of the Republic; honorable legislators; honorable members of the Supreme Court of Justice; Ministers of State, and directors of autonomous institutions; ladies and gentlemen, fellow citizens:

At the beginning of these regular sessions, and in compliance with the national Constitution provisions, I appear before this honorable chamber to present my report on the administration's affairs. During this message, I will account for my activities as president since 11 October and discuss our government's strategy for action.

In addition, I have appeared before this Assembly to meet, during a ceremony of democratic importance, with the representatives elected by the people to debate and decide the laws that will reflect our national problems according to the power granted them by the Constitution.

By solving the fiscal problem, we have concluded a necessary stage. Honorable legislators, I thank you for your effort and your great sense of responsibility in fulfillment of this task. New and promising perspectives are now before us so we can devote all our energies to the economic recovery of the Panamanian nation.

The Panamanian Legislative Assembly has been conducting patriotic work by its commitment to strengthening Panamanian democracy and making it fully operational. To be constructive, this commitment should consider the aspirations of Panamanian men and women and their right to live in a more prosperous homeland where justice prevails, law is respected, and peace is maintained.

The nation has started vigorously on the path toward improved social conditions. Schools, water systems, health centers, electrification, telephones, and roads leading to the country's farthest inhabited corners have become natural. This achievement has been gradual, has required many sacrifices, and must be defended. Our people, however and with good reason, want more, because they deserve more. [applause]

Panamanian People's Aspirations: The aspirations of our fellow citizens should guide all political leaders truly committed to their mission. The Panamanian people want a just, abundant, equitable and respectful society, as well as the continued existence of a de jure state and an efficient, honest public administration. The Panamanian people want social progress, better education, better health, more and better dwellings, better transportation, healthier communities, an environment favorable to development of man and society, and above all, more and better jobs.

Our government wants to offer society hope on specific problems and tangible achievements, particularly for the poorest citizens. The government also wants to stimulate society's creative force to put their opportunities to good use and contribute to society's well being.

The Panamanian people want peace, participation, and progress. True social progress demands resources and a willingness to work. We are willing. We don't lack natural resources. Goodwill, faith, confidence in ourselves and our future, and our patriotism are the most precious assets we have.

Panama is a land of opportunity that can recover from its current situation with combined effort. [applause] Today, however, we face economic, fiscal, and financial difficulties, both national and international, that form a difficult and complex reality. However, we don't feel limited by these difficulties. We accept their challenge with firm conviction [applause] and willingness to overcome these difficulties by our preservation of democratic institutions and the economic system that the Panamanian people have adopted.

The Current Reality: The simplest analysis of the national reality confronts us with continued poverty, isolation, economic stagnation, and unemployment, which important sectors of our population suffer. Extensive areas of our country are hit hard by these evils. This reality is also reflected by the fiscal deficit, the difficult fiscal situation that we inherited, and the problems that we have encountered in trying to balance the nation's revenue and expenses budget for 1985 that this honorable chamber has been carefully considering with intelligence and undisputed patriotism.

This reality is aggravated by a stagnated economy -- production and investments -- and is reflected in the slow generation of jobs and the near impossibility of raising salaries.

The country's international balance of payments is adverse and requires a considerable increase in exports. This is an indispensable factor in strengthening the national economy. This reality is more overwhelming for some groups who have apparently lost their faith in our moral resources and in our ability to handle problems with perseverance, wise patience, and a constructive stance. We have the ability to deal with these problems with the proper intelligence by sacrificing perhaps some benefits, (?opportunities), or individual or temporary privileges. These groups seem to have lost their faith in our ability to deal with these problems with our hearts and conscience devoted to the well-being and lasting benefit of the community.

This reality seems even harsher for those who refuse to overcome it through sincere dialogue, peaceful understanding, and democratic consensus.

Our Commitment: In view of the Panamanians' genuine aspirations and the current economic reality, we reaffirm our commitment to the people to strengthen democracy, make continued efforts to achieve social and participatory development, reactivate the economy -- this is the most important problem because it prevents improvements in the people's social conditions -- and work tirelessly to modernize our public administration, thus making it more efficient and honest. In addition, we pledge to maintain peace, strengthen our culture, and make our independence more vigorous.

Our fundamental priority today is to achieve real and effective consolidation of Panama's democracy, seeking a harmonious operation of the state's branches.

We must develop and tighten contacts with the parties, organizations, and the various political forces to strengthen the permanent dialogue with these sectors. This will enable us to solve problems through agreement, consensus, and understanding.

This is what is important. We are responsible for consolidating, strengthening, and safeguarding democracy so we can live in a free fatherland and in a peaceful society. [applause]

For this reason, at this institution that authentically represents democracy, I again invite Panamanians who have dedicated themselves to sterile and negative actions to seek the positive solutions that the people need so much. [applause]

We cannot delay these solutions any longer. We are speaking only of our differences, of our partial truths, and we are not sitting down to find solutions constructively in the framework of a more broad, more far-reaching, more noble, more equitable, and more positive truth that has room for all the people of this fatherland. [applause]

History shows that democracies characterized by chaos, by dialogues among people who will not listen, by intransigency, and by abuses of every kind, grow tired and fall. The lasting democracies are those that struggle, that defend the principle of respect for human beings, for authority, and for the institutions; the democracies that realize that consensus and agreement are what resolve problems and protect liberty.

Therefore, let us remember that because a person is courteous does not mean he is not brave and that [applause] that a gradual rapprochement among the various groups that have different and opposed demands is the way to a democracy with peace.

I want to point out the role that the Defense Forces are playing in strengthening Panama's democracy by guaranteeing national defense, property, and security. These functions deserve respect and acknowledgement by the people. Necessary and effective coordination with the Defense Forces through the National Security Council, and directly, is an important element of my government and I acknowledge the high professional level, dignity, and patriotism of the Defense Forces. [applause]

Social Development: Our greatest concern is social development. This can be achieved, to a great extent, through the investment budget and by making sure that people receive the social services they demand.

Even under austerity conditions, we must provide medical care, education, housing, drinking water, telephone service, technical cooperation to farmers, administrative services, and many other services. These services must also be maintained and improved.

At this difficult moment, we must give answers to the poor people and to our youth. For this reason we have adopted constructive initiatives throughout the country, in both urban and rural areas. An example of this is the Las Mananitas land-share distribution and basic service program. This effort, in the outskirts of this capital, is evidence of what we can do and what we want to continue doing.

Another important event is our promotion of the young people in this year dedicated to those who will build the fatherland of the future. This year we have initiated a program for them that should be permanent.

We are already implementing programs for the Indian regions and are looking for solutions involving broad and democratic social participation. Panamanian women and the elderly will continue participating in the programs, which we are now drafting more efficiently.

Providing quality education at all levels is an essential priority of our government. The corresponding programs are already taking shape. I recently attended several secondary school graduations in various parts of the country, and I was able to see the drive of more than 20,000 young Panamanians, most of whom will be joining the labor force and will be facing the serious problem of unemployment.

To satisfy our commitment to social development we must dedicate ourselves, now, as a special priority, to our economic recovery. Having solved the budget problem, we must move forward and attack the roots of our main problem, which is economic stagnation. The government cannot be the only direct motor of recovery because of the administrative austerity we have imposed on ourselves. The government cannot be the main job-generating source either.

We must watch our public finances in order to adequately heal the economy. We must do this by reducing superfluous expenditures, controlling growth, putting an end to the waste of resources wherever this occurs, activating efficient controls, paying the debt on time, and reducing the debt's drain on the national budget.

We will maximize our tax collection efforts. We will intensify the struggle against contraband by increasing the vigilance program we have established, which has already produced results. We will continue reducing fiscal expenditures. We will continue dismissing unscrupulous officials who are not fulfilling their obligations and we will reward those who shun dishonest activities to honorably serve the community. [applause]

In this campaign to improve tax administration, we require the entire community's support and we invite everybody to participate constructively. We will continue putting increasing emphasis on efficiency in use of resources and on control of expenditures by designing better programs, establishing clear goals, and adequately controlling the results.

The General Comptroller's Office will continue to be strengthened and similar efforts will be made in all the state's institutions. The fiscal emergency we have inherited has made it necessary to make massive reductions in expenditures as well as to impose new taxes to save the country from a crisis. This action has created for us the fundamental commitment to maintaining and adding vigor to the efforts being made to achieve the greatest efficiency in the use of state resources and, especially, to support the social development of our poor people. [applause]

On the other hand, what we should do and what we are going to do, is to promote the productive activity of the private sector, which today represents 75 percent of the nation's economic activity. This large sector is represented by workers, businessmen, farmers, craftsmen and professionals, who need to be encouraged, who need aid, cooperation and understanding. With this in mind, we will respect the clear rules of the game, in accordance with the times and our current needs.

We will maintain constant consultation with all sectors throughout the regions of the country and will propose positive bills.

Furthermore, we will instruct the administration to give firm, efficient and expeditious support to the private sector which generates wealth and employment.

We are promoting and achieving an increase in investment, in worker productivity, in enterprises' profitability, and in exportation of goods and services. We are encouraging private investment by creating new opportunities and implementing new laws and administrative actions.

It is necessary to safeguard job security and the profitability for the investor.

Now more than ever, we should be aware of the need to increase the nation's production. Economic reactivation demands an increase in our exports because we need foreign exchange to pay for our imports and to meet our foreign debt obligations. The less we export, the more we have to take from our economy, and this affects our savings and investment capacity. This is why we need to export.

We know that together we can reactivate the economy. We also know that we can export. All depends on our attitude and desire to work and to take advantage of opportunities that are offered. Only those in the right place with the desire to struggle can take full advantage of these opportunities.

I invite all the national sectors -- the workers, businessmen, farmers, professionals, and youths -- to seriously participate in planning of policies, bills, and administrative measures, in order to obtain a solid and durable economic recovery that places special emphasis on producing and exporting.

This recovery can be achieved for example, with projects like central port [centropuerto] through which we can distribute cargo throughout the continent. This is a source of income and employment we have already begun to take advantage of.

With regard to tourism, our economy will be benefited by both our neighbors in the region and by the passengers and crewmembers on ships going through the canal.

In the agricultural sector, the outlook is promising for exports of: meat, shrimp, especially those grown in estuaries, tropical fruits, tobacco, coffee, and cocoa.

In the industrial sector, we registered an increase in the export of Panamanian products last year. Our industrialists deserve to be congratulated for this effort, which must continue.

Our administration will efficiently and effectively support the campaign to increase exports. We want to take advantage of the Caribbean Basin Plan -- which opens the large U.S. market to us -- to expand the production of Panamanian industrialists, who are the main recipients of our economic efforts. We also want to attract specialized international investments in new fields, such as electronics, consumer goods, and airplane repair industries. We have already talked to U.S. authorities about possibly expanding export of textiles, a national industry in which we have experience and which is a source of employment.

We have created the Foreign Trade Institute to coordinate this activity and we are making progress in trying to eliminate the legal and bureaucratic obstacles unnecessarily obstructing the procedures. We will also provide fiscal and administrative incentives for exports.

In addition to the effort to increase exports, we are particularly encouraging the national sectors with the greatest capacity to reactivate our economy in a short time, Along this line, we wish to underline the initiatives taken by the construction industry because of its capacity to rapidly create jobs and to solve the housing problem. We have signed bills to reorganize the National Mortgage Bank which provides incentives for the construction of apartment buildings, which is of priority social interest. We are going to submit the bill on mortgage loan incentives and mortgage discount bill in order to increase financing for construction of houses.

We will continue with the program of lending materials and of urban reconstruction in Panama City and Colon. These are positive opportunities we are giving to private enterprise.

In the agricultural and fisheries sector, we are promoting the policy of encouraging production to meet the local market demand. We are also trying to replace imports with goods the country can efficiently produce. We are also going to promote exports. However, for this, we must improve programs for agricultural research, technology transfer, and agricultural insurance and credit. In addition, we must fully revise the price policy and establish stable regulations for each group of producers according to its needs in order to encourage long-term investment, which is free of so many uncertainties.

We reiterate to all farmers, as we have been doing during the past 4 months, the promise to work together to improve the sector's capacity.

Tourism can be increased if those in the business of transportation can coordinate their activities a little better, if they better serve the people going through the canal, if we sell Contadora to a specialized private group, if we increase the use of the convention center, and if we can guarantee an international promotion campaign that is organized, forceful, and professional, and is coordinated with national and international tourist enterprises.

We are working on a program that involves more airlines flying more often to Panama, with a reduced cost of operation.

There are real opportunities for national industries because Panamanian industrialists and businessmen are used to working hard, and with their fighting spirit, they have acquired the ability to take risk and to look to the future.

To defend stability and progress in the industrial sector, we are drafting bills and decrees to regulate exploration and exploitation of hydrocarbons, crafts, registration of trademarks, issuing business permits, and industrial fishing. We firmly intend to consult the groups involved during the drafting and preparation of these measures. We will work to supply our domestic market and to reorient production toward exporting, in conjunction with Panama's hardworking enterprising industrialists, who side by side with their workers, have been able to create a manufacturing infrastructure in the country.

A major part of our economy corresponds to the service sector.

We will support that sector, which in the past has proven able to generate resources and foreign exchange. The banking, insurance and reinsurance, legal, and shipping services sectors are our economy's unquestionable pillars. The banking sector -- which years ago I endeavored to create and strengthen -- will continue to receive our support, in that banking secrecy and the monetary system will be retained as is.

Moreover, we will expand the international transport action services, the airport and maritime ports, under the new total concept of central port. This project offers much promise, as it will make the most of our geographical location to bring greater benefits to all of us. We will appoint a coordinating commission to develop this program. The time has come to complimentarily integrate all national transport services and other related enterprises to enable them to achieve their full potential.

The economic reactivation will begin with promotion of priority sectors through coordinated participation. For example, in just 4 months, enterprises in the Colon Free Zone that will generate 1,000 jobs have opened or have received permission to open.

The better use of our geographical location will also be the basis of the development of the reverted areas. These areas offer great potential for urban and social development, as well as for housing industries and services that will employ thousands of Panamanians. We will take advantage of this opportunity without delay by establishing an orderly program on planning and use of these areas. As a first step, we have drafted a bill to be submitted at the next Assembly... [corrects himself] next week, to this honorable Assembly.

The reactivation of the economy requires that we create the main instruments to achieve specific results in the short term. These instruments include: improving the state's performance; administrative honesty and efficiency; increased private investment; growth of exports; and developing a greater harmony between employees and employers by promoting a responsible relationship based on respect and cooperation between the two parties, who are so important to production and social peace. We will also support all efforts to provide workers with job security, employment, and earnings commensurate with their productivity. Likewise, we will offer local and foreign business sectors, which have placed their trust in our government and in our country, the assurances that we will not adopt measures that will adversely affect their operations and activities conducted within the legal framework.

Modernization of Public Administration: Our government is taking the steps to decisively support the nation's production effort, by strengthening the National Investment Council and the Directorate General of Small Businesses and by creating the Panamanian Foreign Trade Institute.

Bills are being drafted to improve the services that the state provides to the community. The public administration sector will actively encourage private enterprise, which creates jobs, and will provide without delay the social services to the people.

To comply with the promise I made during the electoral campaign and respond to the people's deep aspiration, I have taken steps to improve efficiency of public services, protect state employees, and defend the reputation of thousands of public workers -- that immense number of honest and hardworking Panamanians who are patriotically serving the nation. [applause]

We are drafting for them a civil rights bill that is modern and scientific, recognizes their merits, and gives them the security to which they have legitimate right.

We have also begun a training program to encourage public workers to be creative and to increase their personal accomplishments. If we demand honesty and discipline, we also must offer them incentives.

I have taken specific administrative steps to control squandering and disorganization in the ministries and institutions wherever such conditions exist in order to guarantee austerity and a better control of public expenditures. In the same way we have taken steps to prosecute those who commit actions against state property, to dismiss employees who draw a salary without working, and to eliminate unnecessary posts. We have also dismissed government officials who charge extra for their services. [applause]

With due respect for the judicial branch's independence, we have contributed to the approval of the new judicial code and we have expressed special interest in the ruling on the Social Security Fund embezzlement case, which was pending for the past 2 years. We have also offered decisive support to improving judicial administration and to training and increasing the number of judicial personnel.

We will strongly fight the drug traffickers who try to use our country for their criminal objectives. To prevent such a situation, we have increased vigilance and inspection control at ports and airports, with the support of the National Defense Forces and with absolutely positive results.

In this respect, we appeal to the banking community to work with us to find a way to prevent the use of our banking and financial system by drug traffickers. At the same time we will maintain our respect for banking secrecy, which we consider to be of vital importance to the existence of our international banking and financial center.

We have taken the first steps to strengthen cultural programs. The participation of civic, professional, and cultural groups will be fundamental for success of these programs. This is important because a country without culture is a country without personality. Fortunately, our diversity of culture and races is a permanent source of enrichment of the personality of Panamanians.

Foreign Policy: In our foreign policy, in addition to achieving strict compliance with the Torrijos-Carter treaties, we will make efforts to see that the many wealthy and powerful countries that benefit from the canal reciprocate for those benefits by contributing to our general development through agreements of mutual benefit. As a substantial part of our foreign policy, we will give special attention to our relations with the United States, Europe, Japan and the Far East, in addition to stressing our brotherly links with Latin American countries. [applause] We will maintain the best relations of friendship, solidarity, and identification with the developing world and we will defend common causes with vigor at all international forums.

I want to declare my profound adherence to the tradition of independence from other states and blocs -- a position that has earned the respect of the international community. We will continue to energetically promote Contadora Group efforts because we believe the search for peace in Central America is vital for our own security and the region's security.

We want to point out that the common efforts we are making together with Venezuela, Colombia, and Mexico represent a keystone of our foreign policy and that we will not abandon our efforts to make our joint peace effort succeed. Precisely today, the door has reopened for the Central American countries and the Contadora Group to continue efforts to achieve peace and compliance with the 21 originally proposed objectives.

Latin America remains shaken by the foreign debt and the economic stagnation problem and this is the moment for the democracies to begin developing and to embark on the search for the noble objectives of the people of America.

The foreign debt problem of our America had a general origin and the solution will be adequate only if the parties involved -- our countries, the international financial community, and the developed countries -- make a general effort.

Aware of this true situation, all the parties have in effect been contributing to this effort and the results are promising. Latin America has complied with adjustment policies that frequently have imposed big sacrifices. But these sacrifices must not reach the point of further burdening the poor masses or creating more social unrest and political instability. We must find more creative solutions for the foreign debt. We know this can be done. Besides, it is necessary to do it for the good of all parties involved: our people; the developed countries; and the international banks.

A more prosperous and stable Latin America would contribute to world recovery and stability. A Latin America sunk in chaos and instability will limit world prosperity and be a danger to peace.

For this reason, our government will support talks and contacts among interested parties and will participate in meetings to find the most constructive solutions. In this regard, Panama will continue to be loyal to its tradition of peace and American understanding.

Honorable legislators, I want to invite you to continue discussing the budget bill presented by the executive branch for consideration of this honorable chamber in the regular period of sessions that begins today. This bill has a further reduction of 1.5 percent in expenditures. This additional and important reduction in public expenditures is further evidence of the coordinated will and work of the legislative and executive branches and serves as a clear example of our interest in progressively adapting public finances to the national economic situation.

Following approval of the budget, we will be in a better position to implement a national development program based on existing strategies and documents produced by my administration which we have been preparing in detail with the active participation of the various sectors and institutions of the nation.

Once more, before this honorable assembly and the whole country, we invite all social and political forces that are truly interested in solving our problems -- by this I mean all those who have supported me and those who have opposed me -- to participate constructively and democratically in drafting this national development program. For this reason, I feel it is advisable to establish first an operational methodology in order to allow everybody to participate in compliance with appropriate rules.

For the moment, I invite businessmen, workers, professionals, and the government employees to meet to make arrangements for this effort, settle our differences, and solve the Panamanian people's problems. [applause]

This national development program must result from a social agreement that reflects the consensus of the groups comprising the Panamanian society. It must result from a great effort of work, optimism, and patriotism, reconciling the interests and aspirations of our compatriots with our real possibilities in a changing world that is full of challenges.

This social pact should guard us from the threats and violence that have submerged our dear brothers in Latin America in a prolonged tragedy of unpredictable consequences and full of danger. This social pact should be the beginning of a renewed meeting of us all with the values and ideals of peace and concord, virtures of honest work, and respect for our fellow men. All those are in the hearts of all and constitute our homeland's moral strength. [applause]

Fellow citizens, honorable legislators, we all know that we are in a difficult situation, one of the most difficult in our history. In addition, we all know deep in our hearts that we have an opportunity. We feel that we can solve our problems. So I ask: Can these people, this democracy, and these institutions positively face this challenge? The answer is: Yes, we can. We can [applause] because I feel fully confident that these people -- who announced all over the world that the time had come for our independence to be respected, as well as our sovereignty and our right to act -- these people, who have been internationally recognized for these rights that are ours, will not -- in this moment of great difficulties -- deceive themselves and lose the respect of all peoples of the world. [applause]

This people, still considered as immature by some, will demonstrate in this difficult moment that we have a great heart, deep emotions, our head in its proper place, and a steel-like strength because nothing scares us. We will forge forward for the benefit of all Panamanians. Thank you very much. [applause]

GENERAL NORIEGA ON RETURN OF DEMOCRACY

PA032330 Panama City Televisora Nacional in Spanish 0000 GMT 3 Mar 85

[Text] Appearing at a conference on the Armed Forces' role in the Central American process as guest of honor of the John F. Kennedy School of Government at Harvard University, General Manuel Antonio Noriega said the Panamanian military had proudly returned democracy to the country, and now it was the civilians' responsibility to take care of that democracy.

General Noriega stressed the efforts to establish a different style of government and emphasized three basic objectives: greater direct and equal participation of all sectors of the population in political, economic, and cultural activities; greater social mobilization; and modernization of the Panamanian state through a higher level of institutionalization.

Concluding, General Noriega noted that this transition to democracy was made proudly, without pressures from within or without, fully convinced of our position as institutionalist military men.

BELIZE

SOUTH KOREAN DELEGATION MEETS ESQUIVEL, OTHERS

FL011836 Belize City Domestic Service in English 1300 GMT 1 Mar 85

[Text] A three-man delegation from South Korea is presently visiting Belize. The delegation is comprised of South Korea's ambassador to Mexico, Mr Ku Chon-kwae, Mr (Chin Dak-lai)and Mr (Moon Sik-po), also of the South Korean Embassy in Mexico.

The South Korean delegation has met and held discussions with ministers of the government including Prime Minister Manuel Esquivel and deputy prime minister [passage indistinct]. The delegation also met with the minister of foreign affairs and economic development, Mr Dean Barrow, the minister of tourism and transport, Mr Derek Aikman, the minister of natural resources, Mr Dean Lindo, and also the minister of commerce and industry, Mr Eduardo Juan. The three-man delegation leaves Belize today [words indistinct] representatives of the diplomatic corps and executives of [words indistinct].

PUP REJECTS COMMUNISM; DISCUSSES REORGANIZATION

FL041655 Belize City THE BELIZE TIMES in English 24 Feb 85 p 1

[Text] Delegates of the People's United Party [PUP] from all twenty-eight electoral divisions met in Independence Hall, Belize City on Sunday, February 17, 1985, and continued their discussions for the reorganization of the party. It was the conclusion of the meeting that the People's United Party is not a communist party, that the communist ideology has no place in its philosophy and that members of the communist party and affiliated organizations cannot be accepted to its membership.

The meeting re-affirmed the ideology specified in the PUP Manifesto, which includes a commitment to democracy, social justice, the rights of the individual and fundamental freedoms appearing in the Constitution of Belize. The meeting declared that changes to the party's ideology can only be effected by a national convention.

The meeting resolved to contest the upcoming elections in the district towns and the by-elections in Belize City.

Plans for the revitalization of the party were discussed and it was agreed that there will be a national convention later this year.

The meeting deplored the fact that the speaker of the House of Representatives has failed to resign from the Belize City Council according to traditional parliamentary practice.

COSTA RICA

MONGE ON URBINA ISSUE, POSSIBLE ORTEGA MEETING

PA050140 Paris AFP in Spanish 2349 GMT 4 Mar 85

[Text] San Jose, 4 Mar (AFP) -- Costa Rican President Luis Alberto Monge has not discarded the possibility of meeting with Nicaraguan President Daniel Ortega after the release of Jose Manuel Urbina Lara.

At a press conference held upon his return from the inauguration of Uruguayan President Julio Sanguinetti, Monge confirmed that Ortega offered to turn Urbina Lara over to the four presidents of the Contadora Group countries (Mexico, Colombia, Venezuela, and Panama) next Wednesday.

Urbina Lara was arrested by the Nicaraguan authorities on 24 December inside Costa Rican Embassy grounds. This caused a serious diplomatic incident between the two countries because Costa Rica considered it a grave violation of the right to asylum.

Monge said that he was "pressured" in Montevideo by friendly countries to meet with Ortega there; however, he refused because Urbina had not been released. Nevertheless, Monge left the door open for a possible meeting in the near future. If this meeting is held it would aim to ease the tension, between the two Central American countries, which reached a new high after Urbina's arrest.

MONGE ON NICARAGUAN OPPOSITION MEETING, CALERO

PA050328 San Jose Radio Reloj in Spanish 0100 GMT 5 Mar 85

[Text] The government was forced to cancel the press conference that Nicaraguan opposition groups were going to hold in our country last Saturday because of the presence of Adolfo Calero Portocarrero, military chief of the Nicaraguan Democratic Force. The opposition groups were planning to give the Sandinist regime an ultimatum on holding a national dialogue, but the Costa Rican authorities felt that with Calero's presence, the press conference no longer had the character of an exiles meeting.

President Luis Alberto Monge explained that in Costa Rica there is room for opposition groups to carry out political activities, but those sectors that have chosen armed struggle cannot be treated as exiles. President Monge said that the situation of those who have chosen armed struggle is entirely different from civilians requesting asylum. Monge added that Costa Rica will give asylum to dissidents whose struggle is still being carried out in the political field, but that under no circumstance will the Costa Rican authorities allow the presence of fighters or any kind of military activities in our country. If Calero is still here, he must be expelled from the country, Monge added.

GOVERNMENT TO ACCEPT NICARAGUAN REFUGEES

PA041754 San Jose LA REPUBLICA in Spanish 25 Feb 85 p 3

[Text] Those people who refuse to join the military service in their country and qualify as refugees will be accepted by Costa Rica, said Justice Minister Hugo Alfonso Munoz.

Munoz said that at recent international meetings and symposiums on the subject, such as at a recent meeting in Caracas, the countries that participated were asked to be more tolerant with regard to persons who refuse to be drafted.

In this respect he said that the Nicaraguans who leave their country to evade the draft and come to Costa Rica, will be accepted in the country if they qualify as refugees.

However, he said that conditions will not be the same for those who seek asylum just to evade military service. Munoz said that according to the conventions which the Costa Rican Government respects, deserters cannot be granted asylum.

In addition, Munoz referred to three Nicaraguan members of the Sandinist People's Army who came to Costa Rica after they were left tied to a fence by counterrevolutionaries near a border town. He said that they are staying at the admissions unit in San Jose and that their situation is somewhat confusing. If necessary, the mediation of international organizations will be requested.

At first it was said that these men were planning to desert, but Nicaraguan Ambassador Leonor Arguello asked the Justice Ministry for permission to talk to them, and this was granted. Afterward it was learned that the men had changed their minds and wanted to return to their country.

Justice Minister Munoz said that the government is trying to find out for sure what they want to do. He added that if the investigation proves that they qualify as refugees, the government will ask the UN High Commissioner for Refugees to serve as an international witness and to take their statements. On the other hand, if they say they want to return to their country, the Costa Rican Government will ask the International Red Cross to take their statements so that their decision is set forth in an official, certified manner.

FOREIGN MINISTER DENIES PRESSURE FROM MEXICO

PA041524 Panama City ACAN in Spanish 1747 GMT 27 Feb 85

[Text] San Jose, 27 Feb (ACAN-EFE) -- Costa Rican Foreign Minister Carlos Jose Gutierrez denied that the Mexican Government is pressuring his government in any way, but he admittted that relations in the commercial field "have some problems."

In a brief statement to the news media, Foreign Minister Gutierrez praised Mexico's foreign policy, pointing out that "Mexico has always respected the sovereignty of other governments."

However, he said, negotiations on Costa Rica's debt with Mexico, approximately $60 million, have "many problems for us, because we cannot expect Mexico to accept all our proposals."

Costa Rica owes $30 million in loans to the Mexican Government, plus $7 million for oil and $15 million for oil exploration that PEMEX has been conducting in Costa Rica since 1981.

Diplomatic sources have said in this capital that the Mexican Government will put conditions on the bilateral negotiations with Costa Rica to the effect of "not obstructing" the efforts of the Contadora Group -- Mexico, Panama, Colombia, and Venezuela.

The Contadora meeting scheduled for 14 and 15 February in Panama City was canceled because Costa Rica refused to attend, as long as the Nicaraguan Government refused to release Jose Manuel Urbina Lara, who according to the Costa Rican Government was taken from its embassy in Managua on 24 December by a Sandinist policeman.

Meanwhile, the Nicaraguan Government maintains that Urbina Lara was arrested outside the diplomatic mission by members of the Sandinist security force.

The foreign ministers of El Salvador, Jorge Eduardo Tenorio, and of Honduras, Edgardo Paz Barnica, support Costa Rica's position.

EL SALVADOR

OCHOA DENIES ARMY BOMBING; DISCUSSES ELECTIONS

PA040250 San Salvador EL DIARIO DE HOY in Spanish 2 Mar 85 pp 5, 37

[Text] Colonel Sigifredo Ochoa Perez, Chalatenango Department commander and chief of the El Paraiso Detachment, categorically denied that the Army is indiscriminately bombing civilians. Col Ochoa Perez made this statement to deny reports by foreign newsmen who, echoing the charges made by subversive groups, are accusing him of being a military "hard-liner," and of ordering bombing raids on civilian areas.

Col Ochoa Perez said that the subversives usually clothe their slain "buddies" in peasant outfits and then tell newsmen that these persons were victims of the Salvadoran Air Force. The military officials said that either these newsmen are playing along with the subversives or are working for them.

He stated that Chalatenango Department has been one of the areas most affected by the violence unleashed in recent years. Therefore, the authorities must try to help the people, Col Ochoa Perez also urged the department's residents to help themselves. During a visit to the small and impoverished town of Ojo de Agua, located in the northern part of the department, Col Ochoa Perez urged residents to organize into political parties parties and vote for the candidate of their choice in the upcoming elections.

In Ojo de Agua, known for its mountains and difficult roads, the terrorists have destoryed the municipal, National Administration for Telecommunications, and health center buildings. Col Cohoa Perez said that is why the people are afraid of them. When these groups enter, the residents shut their doors because they fear that the subversives will kill them.

The commander stated that civilian officials will be reinstalled in all areas where they are needed.

On another matter, he feels that peace will only come to our country through the consensus of all sectors: the private sector, the people, politicians, and the Armed Forces. He said: However, we should not wait for the subversives to tell us they want peace; all of us should strive for it.

The commander also said that the current war is not only a military one, but a social, economic, and political one as well. For this reason, some development plans are being implemented in this department to provide jobs for the population.

He admitted that the coming elections represent a challenge to the military, because the latter must guarantee the safety of all the people. He indicated, however, that they are willing to accept this challenge because they are aware of the importance of elections to preserve democracy. Colonel Ochoa Perez finally said: "I can assure you that people will be able to cast their votes in Chalatenango."

FMLN REPORTS AIR FORCE BOMBING OF GUAZAPA HILL

PA040449 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 3 Mar 85

[Excerpts] It has been reported to us that on Saturday, 2 March, the dictatorship's Air Force carried out an intensive bombing operation against thousands of peasants living in the lower area of Guazapa Hill.

Ordered by Air Force chief Colonel Bustillos, the purpose of the bombing is to prevent the vaccination drive in the area by the International Red Cross.

The cantons bombed by the Air Force are: Corozal, Mirandilla, El Zapote, Consolacion, and (San Antonio Las Delicias), heavily populated areas. The lower Guazapa area is 30 km from San Salvador. The bombing, which reportedly lasted from 0530 to 0930, was carried out by four A-37 Dragonfly aircraft and an AC-47 that strafed the area. We have learned that thousands have been victimized by this action.

In addition to the attack by the Salvadoran Air Force, troops were flown into the area, requiring 63 helicopter missions.

FMLN URGES PEOPLE TO RETURN TO CHALATENANGO

PA041641 (Clandestine) Radio Farabundo Marti in Spanish to El Salvador 2300 GMT 3 Mar 85

[Communique issued by the "subregional government of people's power in Chalatenango" and the "FMLN Political-Military Directorate in Chalatenango;" date and place not given]

[Text] To all people displaced from FMLN-controlled areas who are originally from Chalatenango:

1. During the past years, the puppet government's Army has been carrying out criminal actions against the population to halt the working people's struggle for liberation. Systematic repression, arrests, disappearances, bombings, and destruction of houses and crops have been unleashed against the population, particularly in areas under FMLN control. As a result of this and in a useless attempt to separate the people from their vanguard, the FMLN, hundreds of thousands of Salvadorans have been forced to leave their homes. These Salvadorans are now living in refugee camps that are concentration camps built by the government, or are crowded into houses in towns and cities, living as displaced persons. The government, taking advantage of the misery it has brought to these people, is receiving millions of dollars supposedly for these displaced persons. However, they receive only a minimum part of that aid while the biggest share is stolen by the government. The FMLN believes that our people have the right to live in their places of origin and that the people should demand and obtain this right. Therefore, the FMLN calls on the population dislodged from Chalatenango to return to the places from where government repression drove them away. The FMLN will respect the lives and property of the population.

2. Our people's enemies -- Duarte, the imperialists, and the fascist high command -- are currently planning to implement a National Commission for Reconstruction of Affected Areas plan in Chalatenango Department for the useless objective of recovering territories under FMLN control. This plan is under the direct leadership of criminal Colonel Ochoa. With this plan, the government wants to militarize the population of Chalatenango and turn Chalatenango into a large concentration camp. It wants to organize military posts for civil defense and intelligence networks to spy on the population. All of this will be carried out under the cover of demagogic reforms and aid such as books for schoolchildren.

Therefore, the FMLN proposes the following measures:

We will fight and we will not permit the militarization of Chalatenango. We will not permit the reinstallation of military posts in areas under our control.

If military posts are installed, there will be battles. We will not permit the organization of civil defense or enemy information networks. We will be implacable against them. We ask the population not to permit the installation of military posts, civil defense patrols, and enemy information networks.

We will carry out the repopulation of areas under FMLN control in a gradual and organized way, in common agreement with the population, the FMLN, and the subregional government board. The repopulated areas will be limited at this time due to enemy bombing and artillery action, and for the security of the population. The opening of the roads to traffic will be limited and carried out in an organized manner so that they will not be used by Ochoa for military purposes against the people. In this way, they will not be used as combat zones.

The people who return to their places of origin must appoint representatives, who will arrange for their return. The FMLN and the subregional government board will control and direct the places of production, always seeking the well-being and security of the population.

The people's power of the Chalatenango subregional government opens it arms to all those who want to return home and guarantees their personal security and that of their property and land for their work.

[Signed] Subregional government of the people's power in Chalatenango

FMLN Political-Mlitary Directorate in Chalatenango

The territories controlled by the FMLN are territories of peace!

Displaced people, you will return to the FMLN-controlled territories but you will do so without soldiers!

The FMLN fights to achieve peace! People, if they install posts, there will be a reply! Do not permit it! Dialogue and negotiation are the solution! Long live the FDR-FMLN! Long live the subregional government of people's power in Chalatenango!

NICARAGUA

ORTEGA ON SHULTZ MEETING, PEACE INITIATIVES

PA050306 Managua Domestic Service in Spanish 0059 GMT 2 Mar 85

[Press conference by President Daniel Ortega Saavedra with national and foreign journalists at the Augusto Cesar Sandino International Airport's Blue Room in Managua on 4 March; questioners not indentified -- live]

[Text] [Announcer] We present the president of the Republic, Commander of the Revolution Daniel Ortega Saavedra, who returned today from Uruguay and will hold a press conference. He is accompanied by Vice President Sergio Ramirez Mercado and Companero Foreign Minister Father Miguel D'Escoto.

[Ortega] We want to greet the Nicaragua people upon our return from Montevideo. We are sure that the Nicaraguan people are well aware of the demonstrations of solidarity and love that we received from the Uruguayan people during our stay in that country to attend President Julio Maria Sanguinetti's inauguraion. We are ready for the companero journalists' questions.

[Question] Commander, [words indistinct] crisis with the United States, what is the result of the negotiations and different contacts you made in Montevideo?

[Ortega] Latin America clearly stated its feelings regarding the problems which prevail in Central America, particularly between the United States and Nicaragua. These problems should be solved through dialogue and negotiation; therefore, the Latin American governments clearly stated that they reject the use of force to solve Central America's problems. They absolutely reject the use of force and have demanded respect for international law. We can assert that the specific result of this Latin America position, and Nicaragua's readiness to seek a peaceful solution to the problem, was the reason we held a meeting with U.S. Secretary of State Mr Shultz.

[Question indistinct]

[Ortega] Mr Shultz insisted that the talks had not been canceled, only temporarily suspended. Thus, this leaves us the possibility of renewing the talks in Manzanillo. We insisted on the importance of renewing these talks because Manzanillo had become a fundamental complement to the Contadora process. The United States has insisted that it supports the Contadora Group's peace efforts; the Contadora Group itself issued a statement on 9 January 1985 advocating the Manzanillo talks as a way to normalize relations between the United States and Nicaragua. Therefore, if the Contadora process is reactivated and strengthened with all these new initiatives, we believe that this is the United States' chance to prove its real support for the Contadora Group's peace efforts by returning to Manzanillo so that our countries, the United States and Nicaragua, can work to normalize relations. This would undoubtedly represent important support for the Contadora Group's peace efforts.

[Question] [Words indistinct] opportunity for Nicaragua?

[Ortega] As we all know, the situation is extremely grave. The United States' disrespect for our people, disrespect for the Nicaraguan people, its violations against the Nicaraguan people's rights, and disrespect for international law is so grave that it has even exerted pressure and issued threats against multilateral organizations' member countries because they cooperate with Nicaragua through these organizations. These peace efforts are aimed at finding a way to make the U.S. Government reason and accept a political and negotiated solution by means of dialogue on existing problems and to have it set aside its policy of force that leads nowhere.

[Question] It is said that your meeting with George Shultz was obviously unproductive; in other words, there was no agreement. Will you comment on this?

[Ortega] There was no what?

[Question] Some sources said that the talks were not really productive because they did not produce an agreement between the United States...

[Ortega, interrupting] I believe that during the talks we did not say anything new. That is right. Both sides presented positions that are already known. The new element here was the meeting itself. That was the new element. We already know the attitude assumed by the U.S. leaders. The United States has launched a campaign against Nicaragua demanding more funds to continue the aggression against our country.

Under these conditions, it was difficult to expect the meeting beween the United States and Nicaragua to take place, not because Nicaragua did not want it but because the United States was not willing. However, the meeting was held within this new context, and that is why we describe the meeting as a positive element, even though we habor no hopes that this will produce immediate results.

[Question] [Words indistinct] Nicaragua regarding the latest peace initiatives that you presented before leaving for Uruguay?

[Ortega] We presented these peace initiatives, which strengthen Nicaragua's position regarding its acceptance of the Contadora peace document. We will encourage other Central American governments to accept the Contadora peace document. It is well known that Nicaragua's goal in presenting these initiatives within the spirit of the Contadora peace document was basically to achieve peace for the Nicaraguan people. We cannot forget the Nicaraguan people's sacrifices, pain, and suffering. The Nicaraguan Government, the FSLN, and the FSLN National Directorate must exert themselves to the utmost without sacrificing the principles of the revolution, the basis of the revolution. They must exert themselves as long as necessary and adopt all of necessary steps, such as those we have just taken, to strengthen the possibilities for a negotiation which leads to a peaceful solution of our problems.

[Question indistinct]

[Ortega] It was not the Urbina Lara case that was resolved. We solved the problem concerning the Contadora meetings where pretexts were being made regarding completely secondary matters in order to obstruct the Contadora Group's meetings. That is why the 14 February meeting was not held. What Nicaragua did was remove the pretext so that the Contadora Group meetings could continue.

We also took advantage of the occasion to insist with Secretary Shultz, all of the Latin American countries, and some European rulers, such as Spanish Prime Minister Felipe Gonzalez and Italian Prime Minister Craxi, on Nicaragua's position that all foreign military advisers must leave Central America; that is, that we reach the objective established by the Contadora peace document. We took this first step. We also said that there should be no foreign military maneuvers in Central America. Nicaragua reaffirms this position. We are opposed to all foreign military maneuvers in Central America. We are also in favor of freezing the entry of arms into the entire Central American region.

[Question] In the United States, some spokesmen have said that Nicaragua does not have just 100 advisers from Cuba and other countries. They also object to the proposal on arms and arms limitations. What can you tell us regarding this reaction by U.S. spokesmen?

[Ortega] Mr Shultz said that the number of Cuban troops in Nicaragua was so large that we would arrive at the year 2000 or 2500 and still have Cuban troops in Nicaragua. Logically, we told him that we were speaking seriously and that he was misinformed, misinformed by U.S. intelligence, which presumably should know how many military instructors we have in Nicaragua. He should know that there are no Cuban troops in Nicaragua; and he should know that the Cuban military instructors in Nicaragua do not total 800.

[Question] Why do the Latin American governments not (?react) to the aggressive position of the United States?

[Ortega] There is concern in Latin America over the attitude of the U.S. Government that economically and politically attacks all of Latin America, and in this particular case threatens the security of a Latin American nation; that is, Nicaragua. There is concern and therefore there are protests. The U.S. Congress and Government have been urged to cease that policy and assume a mature, thoughtful position toward Latin America's problems. In this respect the members of the Uruguayan Congress presented us with a document that all Uruguayan political parties are sending to the U.S. Congress to demand respect for Nicaragua and a peaceful solution to the problems between the United States and Nicaragua.

[Question] [Words indistinct] reach an agreement with the United States?

[Ortega] We cannot take more measures than those we have already taken. What is now required is the starting of talks, the resumption of the talks in Manzanillo, to discuss those points that worry the United States about Nicaragua and those points that worry Nicaragua about the United States. Then we can begin to look for ways to normalize relations between the two countries. However, we cannot take more measures than those we have already taken. I believe Nicaragua has made an extraordinary effort and no more can be asked of us. This was recognized by all Latin American and European rulers who gathered in Montevideo. All of the political leaders gathered in Montevideo recognized the great effort made by Nicaragua, the great gesture by Nicaragua, and they are certain that Nicaragua cannot continue taking more [word indistinct] steps.

[Question] It is my understanding that the decision on Urbina Lara was reached 2 weeks ago and was very specific: that the Sandinists would not return Urbina Lara. Have you changed your position?

[Ortega] We have already explained that this is not a question of one person but of the Contadora Group's peace efforts, due to the Nicaraguan Government and the Sandinist leadership's desire for peace for the Nicaraguan people. We want peace for the Nicaraguan people. We do not want Nicaraguans to continue dying. Therefore, by removing the pretext that the United States had been using to affect the Contadora process, we feel certain that we are contributing to the peace efforts that are so necessary at this moment.

[Question] [Words indistinct] part of a question made by a colleague. Part of this so-called peace initiative is the freezing of the present level of arms; that is, not to acquire new arms systems. The critics say that their level is sufficient because it exceeds the combined level of the other armies in Central America and, in addition, Nicaragua's economic situation makes it unthinkable to continue investing in defensive measures. What can you tell us about this?

[Ortega] First of all, Nicaragua has no fighter planes, like other Central American countries, and this represents an unbalanced situation in Central America. Nicaragua is the only Central American country suffering from aggression by a foreign power. Therefore, this explains our country's need for weapons to defend itself from the aggression by that foreign power, namely the United States of North America. You say that this is a heavy weight for Nicaragua to bear? It is a heavy weight to bear as long as the U.S. aggression continues to destroy the Nicaraguan people's lives and their material efforts, because Nicaragua does not spend dollars or cordobas to purchase weapons. The weapons the Nicaragua has acquired have been through donations and different means that do not force us to make disbursements for this purpose.

[Question indistinct]

[Ortega] Yes, of course. In Uruguay we found a real explosion of popular jubilation and joy for the return of democracy, which was a victory for the Uruguayan people. We felt a great identity between the Nicaraguan and the Uruguayan peoples. We believe this was due to certain similarities between peoples: a population similar to that of Nicaragua, a people who have suffered repression and violence for almost 12 years, with more than 100,000 Uruguayans passing through the jails. On the streets we found individuals who had just been released from jail after 13 or 14 years. All of this identifies the Uruguayan people with the Nicaraguan people, who have struggled for (?3) years and are today defending themselves against a foreign power, the United States, that wants the return of Somozist domination to Nicaragua under other names.

[Question] Commander Ortega, [words indistinct], Secretary of State Shultz and the heads of state of the world, were the issues of the foreign debt and unjust trade relations between the developed countries and the Latin American countries raised?

[Ortega] Yes, this was one of the main topics discussed during the meeting. The financial problem faced by Latin American countries, all Latin American countries, and the problem of tremendously unjust and unequal trade, which is increasinly affecting the Latin American peoples...[rephrases] and which are really situations that are no longer tenable. These situations must be deeply changed. These commercial and financial relations are totally exhausted and Latin America is becoming increasingly aware of this.

We can say that we are advancing, little by little, toward a unity of criteria that will give way to joint actions by the Latin American countries and allow us to better confront these very serious problems that are now plaguing the Latin American peoples.

[Question] Commander, what comments were made by Secretary of State George Shultz regarding the proposal that a congressional commission come here to [words indistinct]?

[Ortega] They [word indistinct] already known (?positions). That is, they said nothing new in that sense.

[Question] After so much sacrifice, (?do they) expect you to be a bridge between the revolution and your people and for this revolution to be a workshop and school for Latin America itself?

[Ortega] We feel that the Nicaraguan people are creating their own history and that they are part of Latin America's effort to achieve democracy, which is reaching Latin America in various ways. It is arriving the revolutionary way, as in the case of Nicaragua, and in other ways through popular struggles, as in the cases of Argentina, Uruguay, and Brazil. In other words, there is a greater democratic latitude in Latin America, and Nicaragua is making a contribution.

The formulas that the United States implemented during the 1960's, following the victory of the Cuban revolution to fight the people's struggles and that were implemented through dictatorships and destroyed existing democratic regimes have been exhausted. The people defeated them and achieved a (?revival) of democracy in Latin America.

TINOCO DELIVERS INVITATION TO U.S. CONGRESS

PA041717 Managua Radio Sandino in Spanish 1300 GMT 3 Mar 85

[Text] Deputy Foreign Minister Victor Hugo Tinoco, who was accompanied by our ambassador in Washington, Carlos Tunnerman, delivered an invitation from Nicaraguan President Daniel Ortega to U.S. Congress leaders to send a commission to our country to check our current defense levels.

The invitation was presented to Senate Majority Leader Republican Robert J. Dole and Democrat Tip O'Neill, speaker of the House of Representatives. Victor Hugo Tinoco told ANN: This is clear evidence that we have nothing to hide; this invitation constitutes our government's attempt to strengthen efforts to seek a peaceful solution to the regional conflict.

The deputy foreign minister was optimistic about the congressmen's attitude. He also met with David Durenberger, chairman of the Senate Select Committee on Intelligence, and Richard Lugar, chairman of the Senate Foreign Relations Committee.

He added: I would say that there is understanding toward Nicaragua's determination to solve problems via diplomatic means. Little by little, distortions created by the Reagan administration have been clearing up. In my opinion, people are already aware that defense measures implemented by Nicaragua are to defend itself. I think that each day people in Washington are increasingly aware that Nicaragua is a target of aggression, that it has been forced to develop its defense and that this poses no threat to anyone, Tinoco said.

The deputy foreign minister also said that the American people are not supporting President Reagan's propaganda offensive; television network and THE WASHINGTON POST polls have shown opposition to any military intervention in Central America and the policy to topple the current Nicaraguan Government.

Tinoco finally said: It has been shown that the Reagan administration is fighting against U.S. public opinion by advocating extremist ideological stands and that Nicaragua is proudly maintaining its heroic struggle to defend its sovereignty and right to self-determination.

TIRADO ON ECONOMIC MEASURES, 'U.S. AGGRESSION'

PA041616 Managua Radio Sandino in Spanish 1300 GMT 3 Mar 85

[Text] Commander Victor Tirado said: The workers must call on all Central American workers to maintain unity in the face of imperialist aggression, because we are Central Americans and we are not against any Central American country. He made this statement yesterday to some 50 workers who are members of the National Council of Health Workers.

The FSLN National Directorate member pointed out that Central America achieved independence together, but it is divided today into five countries as a result of neocolonialism. Nevertheless, it continues to be united.

The Sandinist leader closed an assembly of this council in which the economic measures recently adopted by our government were explained. Commander Tirado said that such measures were adopted following careful analysis and that we must defeat the imperialism that is attacking us to be able to overcome the economic crisis. He also commented on the peace offensive currently being implemented by the government.

[Begin recording] We cannot afford to wait until inflation goes down [words indistinct] with Third World countries. All countries wihl have to implement their own revolution. However, they will have to overcome backwardness. To do that, those countries will face great difficulties, contradictions, and social conflicts, internal as well as external.

It is not an easy task to carry out a revolution. One must face social conflicts [words indistinct] but we have also faced a superpower that is so powerful that they could invade us not in just 24 hours, but in just 2 hours [words indistinct]. The way we have faced that power should please Third World countries because we have waged a great battle against Yankee imperialism.

We are winning that battle on the diplomatic and political fields. We should feel satisfied. Nicaragua has enough moral prestige now that we would gladly die tomorrow for the country.

President Ortega's presence in Uruguay [words indistinct] but also meetings with various personalities. He also met with the U.S. secretary of state [words indistinct] constitutes a victory. Therefore, we should feel satisfied for the pestige we have achieved which is so important for Nicaragua.

We will have to spend a long time, many days, months, years in trying to bring about an economic recovery due among other things to U.S. aggression. [end recording]

GUATEMALAN ECONOMY MINISTER HERNANDEZ ARRIVES

PA011654 Managua Sistema Sandinista Television Network in Spanish 1200 GMT 28 Feb 85

[Text] Guatemalan Economy Minister Leonel Hernandez has arrived in Nicaragua. He was met at the airport by Alejandro Cuenca Martinez, the Nicaraguan foreign trade minister; Orlando Solorzano, deputy minister of economic integration; and (Ejenoro Agueda), Foreign Trade Ministry [MICE] general director. Justo Ugarte, a Guatemalan Central Bank adviser, accompanied the economy minister.

[Begin recording] [Reporter] What is the current status of negotiations between Nicaragua and Guatemala?

[Hernandez] Given the current crisis and situation, I would say that they have been quite positive. We have maintained our trade with Nicaragua via the barter system. Given a shortage of foreign currency, we have sought other ways to further trade between the two countries.

[Reporter] What plans are in store for the future?

[Hernandez] I believe that Nicaragua, Guatemala, and the entire Central America common market are striving to achieve previous trade levels that reached approximately 1.2 billion [currency not specified] during Central America's best year. [end recording]

The Guatemalan delegation will hold a working session with MICE officials and officials of the Nicaraguan Central Bank. On Friday morning, the foreign trade minister will hold a press conference to report on the results of his meeting with the Guatemalan officials.

MONTEALEGRE EXPELLED FROM FSLN FOR SOMOZIST LINKS

PA021653 Managua Radio Sandino Network in Spanish 1200 GMT 1 Mar 85

[Communique issued by the Secretariat of the FSLN National Directorate in Managua on 28 February]

[Text] The Secretariat of the FSLN National Directorate reports the following to the Nicaraguan people:

1. That within the process of reconstructing the FSLN history, it was found that Augusto Montealegre Valle had links with the Somozist security office and gave it information about the FSLN, thus committing the serious crime of betrayal.

2. Therefore, the FSLN National Directorate has decided to expel him from the FSLN and order his dismissal from every FSLN organization.

Turned Over to Courts

PA021658 Managua Radio Sandino Network in Spanish 1200 GMT 1 Mar 85

[Communique issued by the Public Relations Directorate of the Ministry of Interior in Managua on 28 February]

[Text] The Interior Ministry informs the Nicaraguan people that in the files of the former National Security Office, documents were found that indicate a link between Augusto Montealegre Valle and that repressive organization of the Somozist dictatorship. Subsequent investigations confirmed the veracity of these documents. Consistent with this, we have decided to turn him over to the courts for trial.

BRANDO Y BRAVO SAID TO ENDORSE CONTRA DOCUMENT

PA042015 Managua Radio Sandino Network in Spanish 1200 GMT 4 Mar 85

[Text] Managua Archbishop Msgr Miguel Obando y Bravo yesterday endorsed the proposal issued by political sectors that oppose the Sandinist government. They have demanded a national dialogue with the participation of the leaders of the counterrevolutionary bands financed by the CIA. The dialogue is to be coordinated by the Nicaraguan Episcopal Conference.

During his Sunday homily at the Sierras de Santo Domingo Church, Msgr Obando y Brado said that although it is good to talk with foreigners, talks should also be held with all Nicaraguans involved in the domestic crisis. The statement was clearly made in reference to the meeting that President Daniel Ortega and U.S. Secretary of State George Shultz held in Montevideo, Uruguay, on Saturday. Msgr Obando y Bravo thus agreed with or accepted the document issued by contra leaders over the weekend in San Jose. Led by Arturo Cruz, the contras are demanding not only a dialogue, but also a full amnesty and the calling of new elections. The communique gives the government until 20 March to respond to the proposal.

The revolutionary government has repeatedly stated that it will not talk with the leaders of the mercenary forces that, following instructions from Washington, murder Nicaraguan people.

It is also recalled that the administration of President Daniel Ortega is currently holding a dialogue with the country's production sectors which began at a "Face the People" program at the Government House and is continuing by sectors. The government is also holding talks with the Miskito, Sumu, and Rama Sandinist Unity counterrevolutionary organization, negotiating the granting of autonomy for the Indian communities of the Atlantic coast under the leadership on the government's behalf, of Commander Luis Carrion. We cannot ignore the efforts of the mixed commission of church and state delegates which seeks roads to peace, and the diplomatic offensive of our president and Foreign Ministry, which has scored another victory during the current tour through South America.

PASTORA HEADS NEW RESISTANCE BLOC; CALLS FOR UNITY

PA050333 Paris AFP in Spanish 0209 GMT 5 Mar 85

[Text] San Jose, 4 Mar (AFP) -- A self-styled "Opposition Bloc of the South" headed by anti-Sandinist leader Eden Pastora, Commander Cero, this afternoon made a "specific call" to the Nicaraguan Democratic Forces (FDN) to form "a true union based on serious agreements and guarantees regarding compliance on military and political aspects."

A communique issued this afternoon notes that a "political, ideological, and military opposition bloc" has been created to facilitate the necessary union and to demonstrate with facts our desire for unity.

The members of the bloc, including Eden Pastora, general commander of the Democratic Revolutionary Alliance (ARDE), expressed their support for "all initiatives that promote the formation of a single bloc for the struggle to democratize Nicaragua" and called for a continuation of the struggle against the Sandinist regime.

The bloc also calls on "all civic and armed opposition organizations in Nicaragua and in exile to support this initiative to unite and continue with the struggle."

Some of the members of the new opposition bloc include Alfredo Cesar, Donald Castillo, and Carlos Hurtado, founders of the Recovery of the Original Nicaraguan Revolution group; Francisco Fiallos, former Nicaraguan ambassador to the United States; and other ARDE leaders.

The call was made only 2 days after an initiative of Nicaraguan political leader Arturo Cruz aimed at uniting all the anti-Sandinist forces failed in San Jose.

On Saturday, Cruz and other Nicaraguan opposition leaders, including Adolfo Calero of the FDN, issued a proposal for a dialogue in Nicaragua between the government and these sectors. The proposal, which sets 20 March as the deadline for the Sandinist authorities to respond, was not signed by Pastora and Alfredo Cesar.

It has been reported that Cruz wanted to create an agreement on unification, but Pastora would not back the proposal. Today, however, the military commander of ARDE heads the signatories calling upon the opposition, the FDN in particular, to unite. The FDN is the strongest anti-Sandinist military organization.

Pastora formerly said he opposed becoming an ally of the FDN because that group includes many former officers of the Somozist guard.

CASTRO DISCUSSES ECONOMY WITH JAPANESE BUSINESSMAN

FL021228 Havana Domestic Service in Spanish 1145 GMT 2 Mar 85

[Text] Commander in Chief Fidel Castro has met with Ryoichi Kawai, president of the Japan-Cuba economic conference, who is in Cuba heading this organization's delegation to the eighth joint economic conference meeting between the two countries. During the meeting, which was held in a friendly atmosphere, President Fidel Castro underscored the more important aspects of the economic measures adopted in Cuba to develop the production of export goods and the savings and efficiency policies which are already being applied in the agricultural, industrial, and service sectors.

He also talked about the Third World's debt especially Latin America's, reiterating his belief of the necessity that highly industrially developed nations should be conscious of this situation, which he described as explosive.

BRAVO, NICARAGUA'S ORTEGA ATTEND URUGUAYAN INAUGURAL

Hold Press Conference in Lima

FL011836 Havana Television Service in Spanish 1800 GMT 1 Mar 85

[Text] The Uruguayan people met the Cuban and Nicaraguan delegations who arrived yesterday in Montevideo to attend the presidential inauguration of Julio Maria Sanguinetti with joy and optimism. The Cubana de Aviation aircraft, the first Cuban plane to touch down on Uruguayan soil in more than 20 years, flew the Cuban delegation led by Flavio Bravo, president of the National Assembly of People's Government, and the Nicaraguan delegation, led by Nicaragua's President Commander Daniel Ortega, to their destination.

On a (?stopover) at the airport in Lima, Peru, on the way to Uruguay, the heads of the Cuban and Nicaraguan delegations held a press conference. Ortega told reporters that he hopes the Contadora process will be revived and that Reagan will stop asking Congress for millions so that the mercenary forces can continue turning Nicaragua into a bloodbath.

Flavio Bravo, sent greetings to the Peruvian people, government, and parliament and told the press that Cuba views with pleasure the democratization process in Uruguay and Brazil, which added to Argentina, are very important to Latin America. The Cuban leader added that it was now time for the Chilean people to also achieve democracy.

Arrival in Montevideo

FL011724 Havana Television Service in Spanish 1249 GMT 1 Mar 85

[International commentary on Revista de la Manana Program by Francisco Ramirez and Greta (Eguires) on "Revista de la Manana" program]

[Excerpts] [(Eguires)] Good morning. Today we will discuss the coming to power in Uruguay of Julio Maria Sanguinetti, leader of the Colorado Party.

[Ramirez] The presence of a number of world figures including eight presidents, heads of governments, political party leaders, and high-level officials from international organizations in Artiga's [Uruguayan hero] fatherland shows the importance placed on this triumphant return of a civilian government in the country.

Among the heads of state who arrived in Montevideo to attend the inauguration ceremony, which will be held this afternoon at approximately 1115 Havana time, is Nicaragua's President Daniel Ortega Saavedra, whose arrival yesterday in Montevideo was a multitudinous event in which tens of thousands of people welcomed Ortega.

[(Eguires)] Excuse me, Ramirez. He arrived along with our delegation headed by Flavio Bravo, president of the National Assembly of the People's Government. We should note the media coverage of both the Nicaraguan and Cuban delegations arrival in Montevideo, and the Uruguayan people's expression of extraordinary happiness and show of solidarity for the Nicaraguan people, for the people's struggle, which is really thrilling. People were in the streets shouting slogans in praise of Sandino's fatherland as well as expressing their support for the heroic Salvadoran people's struggle.

[Ramirez] It was also a new meeting between our country and the people of Uruguay. This shows the high politicized level of the Uruguayan masses, especially the workers.

Bravo Meets Seregni

PA032345 Havana International Service in Spanish 0000 GMT 2 Mar 85

[Text] The leader of the Uruguayan Broad Front retired General Liber Seregni, met in Montevideo with Flavio Bravo, president of the Cuban National Assembly of the People's Government. At the meeting, held in the offices of the Uruguayan leftist coalition, both leaders analyzed the Latin American nations' foreign debt and the need to create a new international economic order.

Seregni stressed the need to start acting in defense of Latin American interests, through closer relations between all democratic forces.

In turn, Flavio Bravo pointed to Cuban President Fidel Castro's hope for the consolidation of the democratic process in Uruguay and other countries of the continent and for the advancement of a joint effort in the search for solutions to the serious problems affecting Latin America.

Bravo Comments on Treatment

FL042110 Havana Television Service in Spanish 1800 GMT 4 Mar 85

[Text] Flavio Bravo Pardo, president of the Cuban National Assembly of the People's Government, has said in Montevideo that the Uruguayan people welcomed with warmth and enthusiasm the Cuban delegation attending the inauguration of President Julio Maria Sanguinetti. Speaking to the press, Flavio Bravo said the Uruguayan Government treated the delegation in a cordial and friendly manner.

During its stay in the Uruguayan capital, the Cuban delegation met with presidents and heads of state and with important individuals attending Sanguinetti's inauguration.

Delivers Castro Message

PY021815 Madrid EFE in Spanish 1747 GMT 2 Mar 85

[Text] Montevideo, 2 Mar (EFE) -- Spanish Prime Minister Felipe Gonzalez today received a personal message from Cuban leader Fidel Castro. The message was delivered to him by the Cuban delegation that is in Montevideo for the Uruguayan presidential inauguration.

A presidential spokesman revealed that the message is very friendly. The president of the Cuban National Assembly, Flavio Bravo, who is the Cuban Government representative here, and Cuban Deputy Minister of Foreign Relations Ricardo Alonso visited Felipe Gonzalez at the Spanish Embassy in Montevideo this morning.

LATE REPORT: STATEMENT ON WITHDRAWING ADVISERS

FL051144 Havana Domestic Service in Spanish 1100 GMT 5 Mar 85

[Text] The Cuban Government has issued a statement of support for the measures announced on 27 February by Nicaraguan authorities in search for a political solution to the Central American conflict and in opposition to the war the United States is trying to provoke in the region.

Cuba, according to the note, favors a fair and real solution to the Central American problems and the withdrawal of all foreign troops from the area. It also considers unacceptable the White House's demand to maintain military bases in the area, and warns that a peaceful solution cannot even be considered if its plans to try to wipe out the Sandinist revolution persist.

The Cuban Government's statement expresses total support for the generous and brave step taken by Nicaraguan authorities, which involves no weakness whatever, nor is it the result of the Reagan administration's aggressive policy, as some U.S. spokesmen have tried to make people believe.

This measure, the note continues, does not imply a renunciation of the Nicaraguan decision to defend the homeland and it is a new demonstration of Nicaragua's interest in struggling for peace.

After specifying that Cuba would never make a unilateral decision regarding its aid to Nicaragua, our government's communique points out that in May, the withdrawal of the 100 military and security advisers from the Central American nation would begin and that the Contadora Group would be appropriately informed of those measures.

The statement says that in the months of March and April, Cuba will abstain from sending new military advisers, which might alter the current number of personnel in Nicaragua.

The note points out that these steps are being taken independently of any agreements the U.S. Congress might adopt regarding aid to anti-Sandinist groups. If Washington's threats to peace in Central America persist, the statement points out, these decisions could change.

GRENADA

BRIZAN ON RETURNING CONFISCATED FARMLAND

FL021650 Bridgetown CANA in English 1503 GMT 2 Mar 85

[Excerpt] St George's, Grenada, Feb 27, CANA -- Grenada's three-month-old government has begun discussions with the owners of farm lands confiscated by the leftist administration, which was in power here from 1979-1983, Agriculture Minister George Brizan has announced. During the one-year rule of the interim administration which preceded last December's general elections, nine such farms had been returned to their owners, Brizan said. The state-run Grenada Farms Corporation (GFC) was now operating another 25 estates, six of whose owners want their land back. Another six estate owners have asked for compensation and, according to Brizan, there are no clear titles to the rest of the lands. In the case of the six persons who want back their land, I cannot see any reason for not giving them back their property because it was theirs in the first place, the minister told reporters. Most of the farms were confiscated by the People's Revolutionary Government (PRG) under a land utilization law aimed at bringing idle acreages into cultivation by youths, especially in rural Grenada. With the fall of the PRG in a bloody October 1983 political upheaval that saw the assassination of Prime Minister Maurice Bishop and half of his cabinet, the interim administration removed the law from the statute books.

OPPOSITION LEADER TO HEAD NEW GDLP PARTY

FL042046 Bridgetown CANA in English 1915 GMT 4 Mar 85

[Text] St George's, Grenada, March 4, CANA -- A number of former leading members of Sir Eric Gairy's Grenada United Labour Party (GULP) will this week announce the formation of a new political party, informed sources said today. The sources told CANA the new group would be named the Grenada Democratic Labour Party (GDLP) with leader of the opposition in Parliament Marcel Peters at the helm. Peters was expelled from the GULP last month after defying a party decision to boycott Parliament in the face of alleged rigging of the last December's general election won handsomely 14-1 by the New National Party of Prime Minister Herbert Blaize.

A source close to Peters said plans for the party would be outlined during a press conference on Wednesday involving the leading foundation members. Among the names being linked with the new party are Albert Forsythe and Oliver Raeburn, former government ministers under Gairy, and Franklyn Philbert, labour commissioner during the rule of the People's Revolutionary Government. The three were named senators by Peters who told reporters that his decision to take up the lone opposition seat -- the rural St Andrews North East -- was influenced by constituents. After the expulsion of Peters, they said they would stand by their leader in Parliament and considered the action taken against him as amounting also to their dismissal from the 34-year-old GULP.

JAMAICA

ARMY TO UNDERTAKE CRACKDOWN ON DRUG TRADE

FL011859 Bridgetown CANA in English 1645 GMT 1 Mar 85

[Text] Kingston, Jamaica, March 1, CANA -- The Jamaica Government has placed four aerodromes here under the control of the Army in the latest move to crack down on the island's multi-million-dollar drug trade, the authorities announced.

The Tinson Penn field in Kingston; Bascobel in the northern parish of St Mary; Ken Jones in Portland, north-east Jamaica; and Negril in the west are now designated military aerodromes and are under the command of the Jamaica Defence Force, according to the Ministry of Public Utilities and Transport. It said these fields will no longer be available for use by civil aircraft, except with the prior consent of the Army chief of staff.

Jamaica has a big marijuana trafficking problem, with most of the drug taken out by light aircraft which land a numerous illegal landing strips around the island. But officials say significant trafficking also takes place through accredited aerodromes and the two international airports, Norman Manley in Kingston and Donald Sangster in Montego Bay.

The government here has been under pressure from the United States to crack down on the trade and recent legislation has given the relevant authorities greater power to destroy likely landing fields, to control Jamaica's airspace, and to set higher fines for illegal landing.

The government is also concerned over the consequences of the drug trade for the national carrier, Air Jamaica, whose planes are frequently being held in the United States with marijuana.

The ministry said existing Jamaica air transport undertakings with valid licences or permits will be honoured for the agreeable periods. Thereafter, permission will have to be sought from the Defence Forces through the Civil Aviation Directorate. Owners and operators of civil aircraft currently parked at the fields have until month end to make applications to maintain the facility. Government employees at the aerodromes have been sent home on leave pending determination of their status, the ministry said.

TRINIDAD AND TOBAGO

PRIME MINISTER CHAMBERS RESHUFFLES CABINET

PA011912 Paris AFP in Spanish 1844 GMT 1 Mar 85

[Text] Port-of-Spain, Trinidad, 1 Mar (AFP) -- Last night Trinidad and Tobago Prime Minister George Chambers announced a technical ministeral readjustment, the first since March 1981 when he was appointed leader of that English-speaking Caribbean nation. The readjustment consisted of an exchange in ministerial positions without the addition of any new personalities to the government.

The People's National Movement has been the ruling party without any interruptions since 1962, when these two islands off the Venezuelan coast received their independence. The pope visited Trinidad and Tobago during his recent trip to the continent.

The new cabinet follows:

Foreign Relations	Errol Mahabir
National Security	Overand Padmore
Public Utilities and National Transport	Cuthbert Joseph
Labor	John Donaldson
Housing	Desmond Cartey
Education	Marilyn Gordon
Sports, Culture, and Youths Affairs	Basil Ince
Development	Neville Connell
Health	John Eckstein
Industry and Commerce	Wendell Mottley

BURNHAM INAUGURATES RENOVATED 12.8-TON FOUNDRY

FL050058 Bridgetown CANA in English 2011 GMT 4 Mar 85

[Text] Georgetown, Guyana, March 4, CANA -- President Forbes Burnham has officially commissioned a G12-million-dollar (one G dollar: 23 cents U.S.) foundry which he described as the largest and most modern in the English-speaking Caribbean. Burnham told the launching ceremony that no country has begun to develop until it begins making tools and machines which manufacture machinery for its projects. He said the 12.8-ton capacity foundry will enable Guyana to fully utilize scrap metal for making much-needed machinery parts, thereby saving foreign exchange expenditure. The foundry has furnaces that can make use of local raw materials, Burnham said. The rehabitation of the foundry, operated by the National Engineering Corporation, was provided with financial and technical support by the Inter-American Development Bank and the Commonwealth Fund for Technical Cooperation.

To Visit Yugoslavia in April

FL021444 Bridgetown CANA in English 1407 GMT 2 Mar 85

[Text] Goergetown, Guyana, March 2, CANA -- Guyana President Forbes Burnham has accepted an invitation to visit Yugoslavia next month, the government announced here today. Not dates or other details were given. The invitation was extended by the Presidency of Yugoslavia, the announcement said. In April 1983, Vidoje Zarkovic, a member of the Yugoslavia Presidency, visited Guyana for wide-ranging government discussions which ended with the two sides signing a protocol for economic cooperation and for training of Guyanese in several areas. Zarkovic also extended an invitation to President Burnham to visit Yugoslavia at a mutually convenient time.

SUGAR UNIONS TELL WORKERS TO CALL OFF STRIKE

FL041830 Bridgetown CANA in English 1801 GMT 4 Mar 85

[Text] Georgetown, Guyana, March 3, CANA -- The three unions operating in Guyana's sugar industry today told their members to call off a strike over incentive payments. The opposition-linked Guyana Agricultural and General Workers Union (GAWU), which represents 23,000 of the estimated 27,000 workers in the key foreign exchange earning industry, said there should be a full work resumption tomorrow. It said this was to give minister of manpower and cooperatives, Kenneth Denny, another opportunity to resolve the matter in the interest of all parties concerned.

The GAWU, the National Association of Agricultural, Commercial and Industrial Employees (Naacie), and the Guyana Field Foremen and Supervisors Union (GFFSU) had threatened to launch a strike after a 72-hour period that ended last Thursday. The threat followed what the unions called the unilateral decision by the Guyana Sugar Corporation in making two days pay to sugar workers when no agreement on the incentive had been reached in negotiations with the unions. The unions, however, announced a suspension of the ultimaum to enable further talks, but some workers went ahead and took strike action.

INTER-AMERICAN AFFAIRS

CONTADORA MINISTERS TO MEET 21-22 MARCH IN PANAMA

PA050117 Managua Radio Sandino Network in Spanish 0000 GMT 5 Mar 85

[Text] Panama City -- The Contadora Group will hold a meeting of the five Central American foreign ministers on 21 and 22 March in Panama City, official sources disclosed. This meeting should have been held on 14 and 15 February, but it was canceled because Costa Rica, El Salvador, and Honduras said they would not attend due to a conflict between Nicaragua and Costa Rica regarding the case of Jose Manuel Urbina Lara. At the 21-22 March meeting, the Contadora Group and the Central American foreign ministers will discuss the possibility of signing the peace plan for Central America, to which El Salvador, Honduras, and Costa Rica made some objections, as soon as possible. Bernardo Sepulveda Amor, Augusto Ramirez Ocampo, Isidro Morales Paul, and Fernando Cardoze, the foreign ministers of Mexico, Colombia, Venezuela, and Panama respectively, will represent Contadora, and Fernando Andrade Diaz-Duran, Jorge Eduardo Tenorio, Edgardo Paz Barnica, Miguel D'Escoto Brockman and Carlos Jose Gutierrez, the foreign ministers of Guatemala, El Salvador, Honduras, Nicaragua, and Costa Rica respectively, will represent the Central American countries at the meeting in Panama City.

VENEZUELA

DIPLOMATIC RELATIONS RESUMED WITH URUGUAY

PA011947 Madrid EFE in Spanish 1935 GMT 1 Mar 85

[Text] Montevideo, 1 Mar (EFE) -- Uruguay and Venezuela resumed their diplomatic relations, suspended since 1976, at 1625 local time (1925 GMT) after exchanging the pertinent notes. The diplomatic decree was signed by Uruguayan President Julio Maria Sanguinetti and his foreign minister, Enrique Iglesias, in Sanguinetti's first act of government after he received command from Acting President Rafael Adiego Bruno. Foreign Minister Isidro Morales Paul signed on behalf of Venezuela and former Venezuelan Presidents Rafael Caldera, Carlos Andres Perez, and Luis Herrera Campins were witnesses.

UK DEPUTY FOREIGN MINISTER MEETS LUSINCHI

PA042306 Paris AFP in Spanish 2020 GMT 4 Mar 85

[Text] Caracas, 4 Mar (AFP) -- Venezuelan President Jaime Lusinchi has met with UK Deputy Foreign Minister Baroness Young, who is in the country for a 2-day visit, and discussed multilateral and bilateral topics. President Lusinchi was accompanied by Foreign Minister Isidro Morales Paul, who, when asked about the topics discussed during the interview, said that "everything was discussed, both human and divine." The interview with Baroness Young was held at a time when talks with Guyana about the territorial dispute over Essequibo have reached a highly important phase, according to diplomatic sources from the two countries.

The Venezuelan foreign minister traveled to Guyana early in February and the two countries agreed to request a visit of the UN commissioner, according to the Geneva Agreement's guidelines. Diego Cordovez will visit Guyana and Venezuela by mid-March. It was recalled that the UK signed the Geneva Agreement because Guyana was still a British colony at the time.